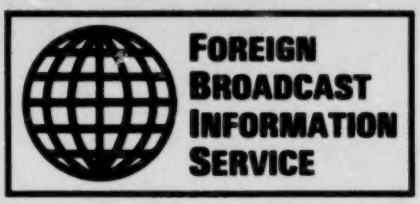

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East Asia

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Japan

Soviet Foreign Minister Continues Visit

Comments on Treating Burn Victim

OW0509201690 Tokyo KYODO in English 1430 GMT 5 Sep 90

[Text] Tokyo, Sept. 5 KYODO—Visiting Soviet Foreign Minister Eduard Shevardnadze on Wednesday thanked Japan for its help in arranging for skin graft surgery on a 3-year-old Soviet boy suffering from severe burns.

Shevardnadze handed Japanese Foreign Minister Taro Nakayama a letter expressing his gratitude to the Japanese Government which allowed the boy and his father entry to Japan without visas on humanitarian grounds, Japanese officials said. He delivered the letter while attending a banquet given in his honor by Nakayama at the Japanese Foreign Ministry's Iikura Guesthouse, following two rounds of talks on the first day of two-day regular bilateral foreign ministerial consultations.

Noting that he is currently involved in negotiating with Japan wide-ranging issues to improve bilateral relations, Shevardnadze said the life and the fate of Konstantin E. Skoropyshniy have great importance as a symbol of a better future between the two nations.

The thoughtful actions taken by your nation have deeply moved all of us," said Shevardnadze in the letter above his own signature.

"I am very impressed by how Japanese specialists have striven with their technique and devotion to save the child," he said.

The boy underwent a four-hour skin graft operation last Thursday in a Sapporo hospital and is reported to be recovering well.

He sustained second- and third-degree burns to 80 percent of his body when he fell into boiling water at his home in Yuzhno- Sakhalinsk in the Soviet Far East island of Sakhalin on August 20.

A Japanese Maritime Safety Agency plane carried the boy and his father to the hospital, while the Justice Ministry granted special permission to the two Soviet citizens to stay in Japan for 90 days.

Shevardnadze is currently on a four-day visit to Japan beginning Tuesday to pave the way for President Mikhail Gorbachev's visit to Japan next spring. (Endall) 051430 Mantas MM000609.013 fc 05/2017z sep BT #0819 NNNN

Urges New Bilateral Relationship

OW0609134290 Tokyo NHK General Television Network in Japanese 1000 GMT 6 Sep 90

[Text] After the Japan-USSR foreign ministers' talks today, Foreign Minister Shevardnadze gave a lecture at a Tokyo hotel in the evening. Speaking on the current status and prospects of Japanese-Soviet relations, Foreign Minister Shevardnadze said that in Europe, German unification is about to be realized; the time is ripe to make a similar, drastic improvement in the Japanese-Soviet relationship.

He said he understands Japan's policy of not wanting to separate economics from politics. However, he insisted that to realize exchanges based on mutual understanding, it is desirable for efforts to be made so that politics might help economic growth and that economics might encourage politics. He said that the last decade of this century should be devoted to building a new Japan-USSR relationship.

Economic Mission To Visit USSR

OW0709003290 Tokyo KYODO in English 0007 GMT 7 Sep 90

[Text] Tokyo, Sept. 7 KYODO—Japan will send an economic mission to the Soviet Union this month as part of its "intellectual cooperation" in support of Soviet economic restructuring, officials said Thursday.

Foreign Minister Taro Nakayama told his Soviet counterpart Eduard Shevardnadze that the mission is designed to advise Moscow on setting up a committee on raising production efficiency, the officials said. Soviet President Mikhail Gorbachev is reportedly planning to form such a committee as part of his new economic reform plan to be submitted to the Soviet parliament within a week.

The Japanese team will leave for Moscow on September 15 for talks with Soviet economic policymakers and will brief them on how the now defunct economic stabilization board served to rebuild the war-torn Japanese economy, the officials said.

The mission, consisting mainly of senior managers at major Japanese companies, will also visit Soviet chemical and heavy industrial plants to exchange views with Soviet plant officials on how to raise productivity, they said.

On the second day of his talks with Shevardnadze, Nakayama also offered to hold a large-scale exhibition of Japanese industrial products in Moscow in the spring of 1992, the officials said. The exhibition will be prepared chiefly by the semigovernmental Japan External Trade Organization (JETRO), they added.

Shevardnadze arrived here Tuesday for talks with government officials. He is scheduled to return home Friday.

Nakayama 'Likely' To Visit Moscow

OW0709034690 Tokyo KYODO in English 0313 GMT 7 Sep 90

[Text] Tokyo, Sept. 7 KYODO—Foreign Minister Taro Nakayama said Friday that he is likely to go to Moscow

in December or January for talks with his Soviet counterpart Eduard Shevardnadze ahead of the scheduled visit of Soviet President Mikhail Gorbachev in mid-April.

Nakayama told reporters following two days of talks with Shevardnadze in Tokyo that Shevardnadze had invited him to visit in December, but because of scheduling considerations the visit might be delayed until January.

Nakayama also said that before the next round of ministerial talks, the two sides will hold a meeting of a working-level forum to discuss issues involved in concluding a peace treaty, including the two countries' long-running territorial dispute.

Prior to the Moscow talks they will also hold the first meeting of another working-level forum, agreed to this time in Tokyo, which will concern itself with matters concerning foreign policy planning and security, Nakayama said. The time and place of both working-level meetings will be decided through diplomatic channels, he added.

Nakayama said Japan strongly hopes that Gorbachev's visit will "seriously" address the bilateral dispute over a group of islands on Japan's northern frontier with the Soviet Union. He indicated that the Soviet stance on the territorial question holds the key to Gorbachev's visit becoming an "important turning point" in bilateral relations.

Nakayama called it "significant" that during the talks in Tokyo the two foreign ministers took the unprecedented step of issuing a joint statement calling on Iraq to withdraw its forces from Kuwait and to free foreign nationals detained against their will in Iraq.

Further on Gorbachev Visit

OW0709004390 Tokyo KYODO in English 0009 GMT 7 Sep 90

[Text] Tokyo, Sept. 7 KYODO—Soviet President Mikhail Gorbachev will make a long-expected visit to Japan next April in what both sides hope will be a turning point for bilateral ties stalemated by a stubborn territorial dispute. Prime Minister Toshiki Kaifu agreed to the visit some time after mid-April in a meeting with Soviet Foreign Minister Eduard Shevarnadze.

Gorbachev, in a personal message conveyed by Shevardnadze, said, "Soviet-Japan bilateral relations are not sufficiently developed," in contrast with present increased international solidarity, suggesting the April date.

"It is my pleasure to receive him," Kaifu replied. But in brief words to the press afterward, the prime minister also said the "territorial problem and conclusion of a peace treaty can not be avoided," adding his desire "to begin the first steps toward a solution which the people of Japan have been hoping for."

Japan claims the four islands of Habomai, Shikotan, Kunashiri, and Etorofu off its northeastern tip as an integral part of its territory. The islands are now held by the Soviet Union.

Shevardnadze earlier the same day finished the last of three negotiating sessions with Japanese Foreign Minister Taro Nakayama. Nakayama is to continue discussions in a visit to Moscow in December, Foreign Ministry officials said.

The two ministers signed four diplomatic papers including a memorandum outlining seven areas for negotiation which will lay the foundations for a series of documents officials hope to finalize by Gorbachev's visit. The areas include intergovernmental dialogue, Japanese technical assistance for perestroyka reforms, environmental protection, and trade and cultural exchanges.

Other accords pledge Japanese help for victims of the 1986 Chernobyl nuclear disaster, cooperation in a thermonuclear reactor project and an end to limits on the circulation of each country's public relations materials within the other.

The "northern territories" issue dominated Thursday's last session following discussions on Asian security issues and the release of a joint communique on the Persian Gulf crisis the previous day.

Nakayama has called for an immediate withdrawal of Soviet military advisers from Iraq during Wednesday's talks but received no reply, a top Foreign Ministry official said.

Referring to the island dispute, Shevardnadze said Moscow is "giving attention" to what he termed a "geographical" problem but warned it will take a long time due to "complicated factors." Any settlement, he said, "should be acceptable to both sides." His statements drew a mixed appraisal from the Foreign Ministry, a top official saying Shevardnadze's stance is "along traditional lines" but indicated a greater willingness to tackle the problem.

Shevardnadze also emphasized the need for satisfactory security guarantees for both sides in solving the island rift. Moscow, which has troops on the islands, has previously hinted at their demilitarization as part of a settlement.

Most of Japan's opposition parties including the leading Japan Socialist Party (JSP) hailed the three rounds of ministerial talks as steps toward improved relations on all fronts. Only the Japan Communist Party (JCP) was negative, saying no progress has been made on the islands issue.

Shevardnadze expressed appreciation for the Chernobyl and other Japanese humanitarian aid in a speech later the same day, elaborating on past themes that a more positive bilateral atmosphere would speed a resolution of the competing territorial claims.

"Let us devote the (next) decade...to our main task—development of a new relationship," Shevarnadze said, speaking before a select audience of some 250 specialists in Japan-Soviet relations. "I am confident that, proceeding along these lines, we would reach our goal much faster."

Rejecting "simplistic formulas" from either side, Shevardnadze described the development of economic links as a "reliable foundation" for interstate relationships in other areas. The result of Japan's policy of linking economic ties to political progress, he said, would "most certainly be neither politics nor economic cooperation."

He also outlined confidence-building measures in the security field proposed Wednesday as "psychologically highly meaningful first steps" to more comprehensive measures. Japanese officials have in the past rejected Moscow's overtures for naval arms reductions in the region.

Japan's Defense Agency reacted positively to the proposed measures, the country's top military officer urging the government to study the suggestions as part of a long-term, step-by-step process.

Shevarnadze attends an audience with the emperor and empress early Friday and holds a press conference the same morning before his departure for Moscow in the afternoon. Tokyo was the last stop of a weeklong Asian tour which took the minister to China and North Korea.

Proposes Talks With Sihanouk

OW0709060290 Tokyo KYODO in English 0531 GMT 7 Sep 90

[Text] Tokyo, Sept. 7 KYODO—Soviet Foreign Minister Eduard Shevardnadze said Friday the Soviet Union is prepared to talk with the Cambodian coalition resistance leader Prince Norodom Sihanouk to seek a solution to the 12-year-old Cambodian conflict.

Speaking to reporters at the Japan National Press Club, Shevardnadze said he proposed in talks with U.S. Secretary of State James Baker at Irkutsk last month that he would meet the Sihanouk faction if the United States agreed to talk with Prime Minister Hun Sen of the Vietnamese-backed government in Phnom Penh.

He said Baker had not publicly said anything about their discussion of the issue.

Noting the recent sweeping changes in the Cambodian policy of the United States, Shevardnadze said, "The Soviet side too would be prepared to enter into contacts and dialogue with Prince Sihanouk."

The Soviet Union, a long-time ally of Vietnam, has been the major supporter of the Phnom Penh government, with China, the United States and other Western nations backing the tripartite resistance coalition.

In mid-July, Baker indicated a major U.S. policy switch by declaring that the U.S. is withdrawing its support from the coalition dominated by the Khmer Rouge faction and opening dialogue with Vietnam for the first time since the end of the Vietnam war.

"I think this will give a lot of material for the Americans in their discussions with the Cambodian Government and in our talks with Prince Sihanouk, who is the leader of the Cambodian people and Cambodia," Shevardnadze said of his proposal.

"All of us need to do our utmost to promote national reconciliation among the Cambodian parties," Shevardnadze said at the press conference marking the end of his four-day visit to Japan.

Outlines Mideast Peace Conference

OW0709060690 Tokyo KYODO in English 0528 GMT 7 Sep 90

[Text] Tokyo, Sept. 7 KYODO—Soviet Foreign Minister Eduard Shevardnadze outlined plans in Tokyo on Friday for a three-point Middle East peace conference with the Persian Gulf crisis as its foremost priority. He said this would offer a chance to find a "rational solution" to the standoff.

The Soviet envoy advised against any unilateral action by the U.S., calling instead for further action by the United Nations if a peace conference failed to bear fruit.

In a wide-ranging session at the Japan National Press Club, Shevardnadze commented on several international issues including the Cambodian conflict, offering for the first time to meet with Cambodian resistance leader Prince Norodom Sihanouk.

Shevardnadze described a three-stage agenda for the proposed conference which would first take up the Persian Gulf conflict and "everything related to the Iraqi aggression."

"The very fact that a conference is in place would promote a settlement of the (Persian Gulf) conflict," Shevardnadze said. The conference could then move to the problem of the Palestinian and Arab-Israeli conflict. Shevardnadze said no action had been taken on several U.N. resolutions related to the Palestinian issue. The third agenda item would address the civil strife in Lebanon, he said.

Such a meeting, he said, would give greater prominence to an Arab role in coordination with the five permanent members of the U.N. Security Council—China, Britain, France, the United States and the Soviet Union.

In the event of failure, Security Council members should involve their U.N. Military Staff Committee "more vigorously" in taking further action including "some compulsory steps," Shevardnadze said.

Concerning demands that the Soviets pull out its military advisers still in Iraq, Shevarnadze said the Iraqis had already indicated they had no need for the Soviet

personnel and that Moscow's foremost concern was the repatriation of the wives and children of the advisers.

He also responded to several queries on the Soviet stance on the divided Korean peninsula, indicating strongly that Moscow would pursue ties with South Korea as its "sovereign right." "North Korea cannot limit our scope of action," Shevardnadze said, but added that though trade and technological ties with South Korea were being developed they were not at a government level.

Political ties, he said, would be decided at the next stage in Seoul-Moscow relations and would be on the agenda when Soviet and South Korean foreign ministers meet in New York on September 18.

Shevardnadze also said Soviet views on allowing an international inspection of North Korean nuclear facilities had been expressed to Pyongyang but that "we do not impose on them in any way." The U.S. and South Korea have been pushing the North to agree to the terms of an International Atomic Energy Agency inspection, to prevent the emergence of a budding nuclear weapons capability in North Korea.

Visit 'Turning Point' in Ties

OW0709055390 Tokyo KYODO in English 0525 GMT 7 Sep 90

[Text] Tokyo, Sept. 7 KYODO—Prime Minister Toshiki Kaifu said Friday he regards Soviet Foreign Minister Eduard Shevardnadze's visit to Japan as a "turning point" in the process of normalizing bilateral relations. Kaifu told a cabinet session that he considers his meeting with Shevardnadze Thursday to be "a turning point in the construction of normalized relations between Japan and the Soviet Union."

In an hourlong meeting Thursday, Shevardnadze and Kaifu agreed to schedule the long-awaited visit by Soviet President Mikhail Gorbachev for next April.

"I expect progress on the territorial issue when President Gorbachev comes to Japan," Kaifu told the regular cabinet session. He said he made clear to Shevardnadze that he wants the Soviet Union to take a more flexible stance on Japan's request for the return of a group of islands off Hokkaido, claimed by Jap

Japan is demanding the return of the islands, occupied by the Soviet Union since the end of World War II, as a prerequisite for signing a peace treaty.

Comments on Northern Islands

OW0709082190 Tokyo KYODO in English 0657 GMT 7 Sep 90

[Text] Tokyo, Sept. 7 KYODO—Soviet Foreign Minister Eduard Shevardnadze indicated Friday that the Soviet Union would not oppose in principle an adjustment of its border with Japan. "On a bilateral basis we may introduce some further amendments but only in the spirit of negotiations and based on a rational dialogue," Shevardnadze told reporters at the Japan National Press Club on the final day of his four-day Japan visit.

Shevardnadze was speaking in reference to border delineation issues between the Soviet Union and its neighbors in the Far East.

"In the East ... we have been discussing issues of this kind with several states, for instance with China," he said. "We're engaged in talks with other neighboring countries, and with Japan we are discussing a peace treaty," he said, apparently alluding to his own border talks in North Korea last week.

Japan has insisted that a peace treaty provide for the return to Japan of a group of islands off its northernmost main island of Hokkaido that were seized by the Soviets at the end of World War II.

Shevardnadze was responding to a reporter's question as to whether it is possible "in principle" for the Soviet Union to change its borders through peaceful dialogue. But the Soviet foreign minister qualified his remarks by saying that the outcome of World War II with respect to territorial arrangements in both the East and the West was formalized "in appropriate international legal instruments that have the force of law." "As you may know, rules are enacted to be complied with," he said.

Shevardnadze said Japan's linking of economics and politics by refraining from full-scale economic cooperation with the Soviet Union until the territorial dispute is resolved was not warranted in the face of the need to make progress in their relationship.

He said there was no need to take an "all-or-nothing" approach to a "very complex and difficult issue," apparently referring to the territorial dispute.

Noting the trade agreement reached between Soviet President Mikhail Gorbachev and U.S. President George Bush, Shevardnadze called for a "similar type of normal economic relationship" with Japan.

Gorbachev is to come to Japan next April as the first Soviet leader to visit Tokyo.

On the question of disarmament in the Asia-Pacific region, Shevardnadze reiterated Soviet efforts to promote reduction of the military threat there. While maintaining that the military potential of the Soviet troops deployed on the disputed northern islands was not very great, Shevardnadze said, "It can't be ruled out that we might reduce our military capability on the four islands."

Meets With JSP's Takako Doi

OW0709101990 Tokyo KYODO in English 0911 GMT 7 Sep 90

[Text] Tokyo, Sept. 7 KYODO—Japan Socialist Party Chairwoman Takako Doi said Friday that Japan is unable to compromise with the Soviet Union on the issue of four Soviet-held islands off eastern Hokkaido,

according to party officials. Japan's largest opposition party leader made the remark at a meeting with Soviet Foreign Minister Eduard Shevardnadze shortly after returning to Japan from Finland where she attended a Socialist International session on disarmament.

Doi said the territorial issue over Kunashiri, Etorofu, the Habomais and Shikotan will have to be resolved in the process of promoting friendly relations between the two countries. The islands, claimed by Japan as its inherent territory, have been held by the Soviet Union since the closing days of World War II.

Shevardnadze replied that one important way for Soviet and Japanese jurists and historians to resolve the territorial issue is by discussing it on the basis of "scientific analysis."

According to one top Japanese Government source, Shevardnadze proposed to Kaifu on Thursday the setting up of a new committee comprised of social scientists, historians and academics familiar with legal matters. The committee would be in addition to a working group discussing the peace treaty. The source said Kaifu turned down the proposal.

On the question of peace and security in Asia and the Pacific, Doi and Shevardnadze agreed on the importance of a regional conference aimed at confidence building among Asian and Pacific countries. On Tuesday, shortly before coming to Japan, Shevardnadze made a speech in Vladivostok on the necessity of an Asia-Pacific security conference.

Both Japanese and Soviet leaders also said the Gulf crisis must be resolved peacefully within the framework of the United Nations.

Doi said she hoped the Soviet Union's perestroyka-inspired reforms will succeed. She said the promotion of international peace and disarmament will depend on the success of perestroyka and the political stability of Soviet President Mikhail Gorbachev, the party officials said.

Shevardnadze said Moscow must accomplish perestroyka if it is to prevent the appearance of dictators.

Invites Emperor To Visit USSR

OW0709061790 Tokyo KYODO in English 0522 GMT 7 Sep 90

[Text] Tokyo, Sept. 7 KYODO—Soviet Foreign Minister Eduard Shevardnadze extended a personal invitation to Emperor Akihito and Empress Michiko to visit the Soviet Union during an audience with the imperial couple on Friday, court officials said. Shevardnadze, accompanied by Soviet Ambassador to Japan Lyudvig Chizhov, was received by the emperor and empress at the palace's Takenoma Room and they chatted for about 30 minutes, the officials said.

According to palace officials, Shevardnadze extended the invitation to Emperor Akihito in his personal capacity. Emperor Akihito gave no immediate commitment, saying that an imperial overseas visit is a matter to be decided by the government, palace officials said.

Shevardnadze also conveyed greetings to the imperial couple from Soviet President Mikhail Gorbachev, who in a message to Emperor Akihito said he is attaching great importance to Japan-Soviet ties.

The emperor was quoted as telling Shevardnadze that he is looking forward to Gorbachev's visit to Japan in April next year.

The emperor had an audience with Soviet Politburo member Aleksandr Yakovlev, Gorbachev's top confidante, in November, but Friday marked the first time in 14 years that a Soviet foreign minister has called on the imperial palace. Shevardnadze's predecessor, the late Andrey Gromyko, met with the late Emperor Showa during a visit to Japan in January 1976.

Top government spokesman Misoji Sakamoto said he regarded Shevardnadze's personal invitation as a sign of warming relations.

"I have been informed that the foreign minister was expressing his personal feelings, but until now this was something unthinkable," the chief cabinet secretary told a news conference. "I interpret this as a sign of good will," he said.

Joint Press Statement Issued

OW0709081190 Tokyo KYODO in English 0741 GMT 7 Sep 90

[Text] Tokyo, Sept. 7 KYODO—The following is the full text of the Japan-Soviet joint press release of provisional and unofficial translation issued Friday at the conclusion of Soviet Foreign Minister Eduard Shevardnadze's official visit to Japan.

Japan-U.S.S.R. Joint Press Statement
September 7, 1990

E.A. Shevardnadze, minister for foreign affairs of the Union of Soviet Socialist Republics, paid an official visit to Japan from September 4 through September 7, 1990, at the invitation of the Government of Japan.

During his stay in Tokyo, Soviet Foreign Minister Shevardnadze had an audience with His Majesty the Emperor.

Soviet Foreign Minister Shevardnadze met with Japanese Prime Minister Toshiki Kaifu. Soviet Foreign Minister Shevardnadze delivered a verbal message to Prime Minister of Japan Toshiki Kaifu from the Union of Soviet Socialist Republics President M.S. Gorbachev confirming that he intends to pay an official visit to Japan in or near April 1991. It was agreed that the detailed schedule for the visit will be arranged through diplomatic channels.

Minister for Foreign Affairs of Japan Taro Nakayama and Soviet Foreign Minister Shevardnadze discussed issues pertaining to the official visit to Japan by Soviet President M.S. Gorbachev.

The two foreign ministers confirmed that high-level dialogue is very significant in the development of the bilateral relationship and agreed that both sides must make efforts to make the visit to Japan by the Soviet president a major turning point in Japan- U.S.S.R. relations, to stimulate the fundamental improvement of the relationship, to activate the dialogue on a wide range of international issues with the purpose of enhancing mutual understanding between the two governments, and to expand their cooperation in the international sphere.

The two foreign ministers expressed the shared expectation for the achievement in the process of the summit-level meeting of agreements for substantive progress in an issue relating to the Japan-U.S.S.R. peace treaty on which intensive negotiations are under way for its conclusion, as well as in economic, scientific and technical, cultural, humanitarian, and other aspects of the bilateral relations.

The two foreign ministers signed a memorandum on the issues relating to preparations for the visit to Japan by Soviet President M.S. Gorbachev. The two foreign ministers agreed to keep a constant watch on the preparations for the visit to Japan of Soviet President M.S. Gorbachev and to exchange information and views on these issues regularly, including personal meetings between them as necessary.

The two foreign ministers continued the negotiations on the conclusion of the Japan-U.S.S.R. peace treaty on the basis of the agreement affirmed in the Japan-U.S.S.R. joint communique of October 10, 1973. In the negotiations, the two sides expressed their understandings on aspects relating to the elimination of the difficulties existing in their bilateral relations and agreed to further promote negotiations in order to conclude a peace treaty. They positively assessed the work of the working group for the conclusion of the peace treaty.

In the regular foreign ministers' meeting, the two foreign ministers held an in-depth exchange of views on other important issues in Japan-U.S.S.R. relations as well as on a wide range of international issues of interest to both sides.

The two foreign ministers, along with assessing positively the efforts being made on both sides for the successful development of the political dialogue and other improvements in the relations between them, agreed to continue and further strengthen such efforts.

Soviet Foreign Minister Shevardnadze expressed his appreciation to the government and people of Japan for the willingness shown by Japan to cooperate in overcoming the situation created as a result of the accident at the Chernobyl nuclear power plant. The two foreign ministers signed a memorandum on bilateral cooperation in this field.

The two foreign ministers exchanged notes relating to the distribution of public relations information in each other's countries.

In their discussion of international issues, the two foreign ministers expressed their welcome for the fact that favorable trends have become conspicuously evident in the situation in Europe and in the international situation since their last consultative Japan- U.S.S.R. foreign ministers' meeting, and there was agreement that such developments should also be accelerated in the Asia-Pacific region. There was discussion of the issue of security in the Asia-Pacific region.

The two foreign ministers expressed serious concern about the developments in the Gulf region and issued a joint statement on this issue.

The two foreign ministers issued a joint statement on the international thermonuclear fusion experimental reactor.

Soviet Foreign Minister Shevardnadze extended an invitation to Japanese Foreign Minister Nakayama to pay an official visit to the U.S.S.R. in late 1990 or early 1991 for a regular foreign ministers' meeting. This invitation was gratefully accepted. It was agreed that the detailed schedule for this visit will be arranged through diplomatic channels.

The meetings in Tokyo were held in a business-like and constructive atmosphere and were substantive and useful to both sides.

Press Release 'Vague' on Islands

OW0709055690 Tokyo KYODO in English 0519 GMT 7 Sep 90

[Text] Tokyo, Sept. 7 KYODO—Japan and the Soviet Union said Friday that they hope Soviet President Mikhail Gorbachev's visit to Japan April next year will mark "the biggest turning point" for bilateral ties, which have been stymied by a territorial dispute.

In a joint press release issued at the end of Soviet Foreign Minister Eduard Shevardnadze's four-day visit, the two governments sidestepped differences over the territorial issue which is still preventing the two countries from signing a peace treaty 45 years after World War II. The two sides stated their positions on how to remove "difficulties" besetting the two countries toward the conclusion of a peace treaty, the press release said in an oblique reference to Japan's territorial claim.

The vague language, similar to that used in the joint press release the two governments issued at the end of then Foreign Minister Sosuke Uno's visit to Moscow in May last year, reflects the intractability of the territorial issue. Japan wants the Soviet Union to return a group of

islands off northern Japan which the Soviets occupied at the end of World War II, and has been withholding any substantive economic cooperation with the Soviet Union until the territorial issue is resolved.

The territorial issue apart, the two-page press release sounded an otherwise positive tone on Shevardnadze's trip, describing the series of talks he had with his Japanese counterpart, Foreign Minister Taro Nakayama, as "susbtantive and useful."

It said Japan and the Soviet Union hope Gorbachev's visit will act as a stimulant to better bilateral ties and foster expanded cooperation on international matters, noting that the two foreign ministers agreed to work for these objectives.

Symbolizing their agreement to cooperate in international affairs, Nakayama and Shevardnadze issued a joint statement on the Persian Gulf crisis at the end of their first day of talks on Wednesday calling on Iraq to withdraw its troops from Kuwait and release all foreign hostages held in Iraq.

The press release, confirming that Gorbachev has set the date of his Japan trip in April, said the two countries believe that "dialogue at the highest level" will have an important bearing on the development of bilateral relations.

The two foreign ministers hope that Gorbachev's trip will lead to a consensus on how to tackle the "problems" surrounding the elusive peace treaty and to promote ties in economic and other fields, the press release said.

Underscoring the importance the two governments attach to Gorbachev's visit, the first by a Soviet leader, the press release said Shevardnadze and Nakayama will continue to take personal charge of preparations for it, meeting when necessary.

Nakayama is already scheduled to meet with Shevardnadze again later this month when they attend the annual United Nations General Assembly session in New York. He was also invited to visit the Soviet Union at the end of this year or early next year.

Press Editorials Hail Meeting

OW0709031190 Tokyo KYODO in English 0254 GMT 7 Sep 90

[Text] Tokyo, Sept. 7 KYODO—Two major Japanese newspapers on Friday editorially welcomed the just-ended series of meetings between Japanese Foreign Minister Taro Nakayama and his Soviet counterpart Eduard Shevardnadze as a first step to reconstruct Tokyo-Moscow ties.

The economic daily NIHON KEIZAI SHIMBUN (NIKKEI) and the mass-circulation MAINICHI SHIMBUN praised efforts by Japan and the Soviet Union to improve bilateral dialogue and cooperation.

The NIKKEI, however, expressed disappointment on the territorial dispute over a group of islands off Hokkaido seized by the Soviet Union at the end of World War II, saying Moscow is not yet ready to compromise on the long-standing issue.

The NIKKEI also said it got the impression that the Soviet side took the initiative in the just concluded ministerial talks. The Soviets seem to have postponed discussions on the territorial issue until the second day of the Shevardnadze-Nakayama meeting by prolonging talks on confidence-building measures and Asia-Pacific security, it said.

The influential economic daily said it may be possible to promote Japan-Soviet relations without a settlement of the territorial issue and without a peace treaty, but the foundation of the bilateral relations will remain unstable. The newspaper called on Tokyo and Moscow to make every effort to find ways to resolve the territorial issue before Soviet President Mikhail Gorbachev visits Japan next April.

The NIKKEI said it appreciated the Soviet 10-point proposals on confidence-building measures between the two countries, although it said that Japan cannot accept some of them in the context of its relations with the United States. The economic daily did not further elaborate.

The MAINICHI said it is significant that Japan agreed to discuss the Asia-Pacific security issue with the Soviet Union for the first time since Kremlin advocated it in the late 1970s. Japan and the Soviet Union will be able to achieve more understanding on the territorial issue if they have dialogues on the security and military aspects, the newspaper said. The daily urged the Japanese Government to clarify its view on the Asia-Pacific security issue.

The MAINICHI, however, said Japan cannot discuss the territorial problem and other bilateral issues with the Soviet Union along the same lines as claimed by Moscow. The newspaper said it hopes the Soviet Union will play a leading role in seeking a solution of the territorial issue with "perseverance and in good faith."

Egyptian Sources Say Kaifu To Visit 2 Oct

OW0709044990 Tokyo KYODO in English 0430 GMT 7 Sep 90

[Text] Cairo, Sept. 6 KYODO—Japanese Prime Minister Toshiki Kaifu is preparing to visit Egypt on October 2, sources close to the Egyptian Government said on Thursday.

Kaifu will arrive in Egypt after visiting the United States to attend the "children's summit" to be held in New York in late September under the auspices of the United Nations Children's Fund, the sources said. During his

stay in Egypt, Kaifu will meet Egyptian President Muhammad Husni Mubarak to discuss the Gulf crisis, the sources said.

Following his visit to Egypt, Kaifu will visit Saudi Arabia and other Middle East nations to talk with government officials there on Japan's contribution to resolving the Persian Gulf crisis and economic problems arising from the crisis, the sources said.

Kaifu was scheduled to visit Turkey, Saudi Arabia, Oman, Jordan, and Egypt from August 16 to 27 but put off his trip after the August 2 invasion of Kuwait by Iraq.

Final Decision on Kaifu Mideast Tour Not Made

OW0709083490 Tokyo KYODO in English 0707 GMT 7 Sep 90

[Text] Tokyo, Sept. 7 KYODO—Prime Minister Toshiki Kaifu may travel to the Middle East in early October on a trip postponed last month due to Iraq's invasion of Kuwait, the top government spokesman said Friday. Chief Cabinet Secretary Misoji Sakamoto said that arrangements are being made for a visit to the Middle East, although a final decision has not been made.

Sakamoto was commenting on a news report from Cairo saying that preparations are being made for Kaifu to visit Egypt on October 2. Kaifu had been scheduled to travel to Egypt, Saudi Arabia, Oman, Jordan, and Turkey from August 16-27.

The visit was postponed in the wake of Iraq's August 2 invasion of Kuwait. At the time the government said it hoped to reschedule the visit after Japan decided on concrete measures in response to the crisis.

Last week Kaifu outlined plans to provide 1 billion dollars in logistical assistance to the multinational forces in the Persian Gulf, and extra economic aid to countries in the region. Further details are expected to be announced later this month.

Kaifu is scheduled to attend a United Nations summit on children September 29-30 in New York.

Legality of SDF Foreign Deployment Studied

OW0509062090 Tokyo KYODO in English 0525 GMT 5 Sep 90

[Text] Tokyo, Sept. 5 KYODO—The Government is considering whether it is permissible within the Constitution to dispatch Self-Defense Force (SDF) personnel overseas, Chief Cabinet Secretary Misoji Sakamoto said Wednesday.

It wants to make a decision on the matter before drafting what is tentatively being called a "United Nations Peace Cooperation Law" or revising the Self-Defense Forces Law and other related statutes.

"There are numerous ideas about whether or not to dispatch SDF personnel abroad, and to what extent," top government spokesman Sakamoto told a regularly scheduled news conference. "All of this is now under study," he said.

Sakamoto said any proposals would need to be compatible with the Constitution, which bans use of force to resolve international disputes.

Members of the ruling Liberal Democratic Party have called for the dispatch of SDF medical personnel to assist the U.S.-led multinational forces in the Gulf area.

A week ago, Prime Minister Toshiki Kaifu announced he would dispatch 100 doctors and nurses in addition to providing logistical support to the multinational forces, and financial aid to Middle Eastern countries. At the time, the Government said SDF personnel were not being considered for inclusion in the action.

The No. 1 opposition Japan Socialist Party is adamantly against sending SDF personnel overseas.

Sakamoto said the Government has yet to decide whether or not the dispatching of SDF personnel could be made possible under a tentative "United Nations Peace Cooperation Law" proposed last week by Kaifu. Sakamoto said the Government will assist United Nations efforts to restore peace either within the constraints of the present Constitution, in establishing a new law, or revising the statutes.

Law Considered To Send Personnel to Conflicts

OW0709005690 Tokyo KYODO in English 0024 GMT 7 Sep 90

[Text] Tokyo, Sept. 7 KYODO - The government Thursday discussed Japan's possible dispatch of personnel abroad for multinational efforts to settle international conflicts, government sources said.

The draft proposal of a new law, to legalize cooperation abroad for U.N. peace initiatives, made by the Foreign Ministry, was the blueprint for talks attended by officials from 10 related government ministries and agencies held at the prime minister's official residence.

The draft calls for the creation of special corps to be sent to U.N. peace activities such as ceasefire observation and election monitoring, as well as medical aid.

The sources said the Foreign Ministry draft shows a constitutional framework in which Japan can send personnel abroad, mainly in nonmilitary fields. It also sets, as a precondition of sending the proposed special corps, the adoption of U.N. resolutions such as those against Iraq's August 2 invasion of Kuwait.

The draft at the same time says Japan's own judgment will determine the dispatch if such U.N. resolutions are adopted with only a small majority. But the proposal

stops short of giving a clear-cut judgment on the controversial question of whether to allow Japan's Self Defense Forces personnel to go to foreign countries, the sources said.

Prime Minister Toshiki Kaifu's government wants to compile the final draft before Kaifu meets U.S. President George Bush later this month during a visit to the United Nations in New York. The legislation would be legalized in the upcoming session of the Japanese Diet later in the autumn, the sources said.

Government sources said the possible new legislation is expected to cover the necessary legal basis for dispatching personnel abroad in international crises, instead of amending all relevant existing laws.

Meanwhile, on the controversial question of to whom Japan would pay its pledged 1 billion yen aid package designed to assist in Middle East peace efforts, the sources said Kaifu may make a political decision to give the money directly to U.S. forces at Washington's request.

Such a direct payment would not conflict with any constitutional and legal ban, the sources said. But Finance Ministry sources said they are concerned because Japan may have to distribute money to all other participants in the multinational forces if it allows such an exclusive payment.

The government is mulling who to pay, including the United Nations. But the idea was shunned by the world body which has said the U.S.-led multinational troops are not official U.N. forces.

The sources also said details of Japan's Gulf aid programs would be clarified next week, after government officials meet U.S. Treasury Secretary Nicholas Brady. He will arrive in Tokyo Friday on the last leg of a globe-trotting tour to persuade allies to give more assistance to U.S. military deployment in the Gulf against Iraq.

Japanese in Iraq Renew Plea for Special Envoy

OW0709040190 Tokyo KYODO in English 0329 GMT 7 Sep 90

[Text] Baghdad, Sept. 6 KYODO—A group of Japanese businessmen in Iraq made a second plea to Prime Minister Toshiki Kaifu on Thursday to dispatch a special envoy to negotiate the safe departure of 344 Japanese nationals including 141 detained in military and other strategic facilities in Iraq.

The Baghdad-based businessmen made a similar request to Kaifu on Tuesday. After Chief Cabinet Secretary Misoji Sakamoto turned down the proposal the following day, they renewed the appeal through the Japanese Embassy in Baghdad.

They said Japan's assistance to the multinational military force in the Gulf will only irritate the Iraqi Government and urged Tokyo to send the special envoy to conduct negaotiations seeking peace in accordance with Japan's Constitution.

Japan has pledged to contribute 1 billion dollars to the multinational force. Iraq invaded Kuwait on August 2 and subsequently annexed it.

Industries Asked To Cooperate on Gulf Measures

OW0309094690 Tokyo KYODO in English 0836 GMT 3 Sep 90

[Text] Tokyo, Sept. 3 KYODO—International Trade and Industry Minister Kabun Muto asked the nation's private sector on Monday to cooperate with the government in helping solve the crisis in the Middle East.

Muto asked the heads of six industry organizations, including the Japan Automobile Maufacturers Association and the Japan Iron and Steel Federation, to help the government implement the package of assistance measures pledged by Prime Minister Toshiki Kaifu last week, ministry officials said.

Japan has promised to provide 1 billion dollars in financial aid, as well as civil aircraft and ships for transporting nonmilitary supplies to the U.S.-led multinational forces deployed in the Persin Gulf.

The industry leaders reportedly promised to cooperate with the government's move, saying it was a necessary step for Japan to take under the circumstances.

Private-sector representatives also expressed concern about the Japanese hostages still being held in Iraq, and their desire for an early settlement of the conflict, the officials said.

Government Shipping Trucks, Other Aid to Gulf

OW0509061490 Tokyo KYODO in English 0533 GMT 5 Sep 90

[Text] Tokyo, Sept. 5 KYODO—Japan is sending four-wheel-drive cars, air conditioners, and tank trucks worth 10 million U.S. dollars to Saudi Arabia as the first part of the pledged 1 billion dollar aid package to the multinational forces deployed in the Persian Gulf, the chief government spokesman said Wednesday.

Chief Cabinet Secretary Misoji Sakamoto, speaking at a press conference, said that 800 four-wheel-drive vehicles have been loaded onto the 10,200-ton automobile carrier Sea Venus at Nagoya Port, and the ship will leave for Damman, Saudi Arabia, on Wednesday.

The U.S. has requested the supply of these vehicles for the purpose of transportation of troops, as well as air-conditioning equipment for the hastily-erected barracks, and equipment for the supply of water to them.

The Government will soon decide to send other requested items, including prefabricated houses to be used as barracks, and equipment to desalinate seawater, as the second or third tier of the assistance, Sakamoto said.

Whether telecommunications equipment, another requested item, will also be sent to the region is not clear since it is likely to be used in direct military actions, another government official who asked for anonymity said. Japanese law prohibits the export of arms or military equipment.

The ship carrying the vehicles to Saudi Arabia has not been chartered by the Government, according to a top-ranking official of the Transport Ministry. "The shipping of the cars is done under an ordinary commercial contract," he said.

The Government has promised to provide government-chartered civil aircraft and ships for transporting nonmilitary supplies. The Government will naturally foot the bills for the purchase and transportation of the cars, the Transport Ministry official said.

Japanese car manufacturers declined to comment on the shipping of the vehicles to Saudi Arabia. A spokesman for Toyota Motor Corp., which is located near Nagoya, said, "We would like to refrain from making any comment on the issue..."

U.S. Charters Japanese Ship for Gulf Transport

OW0609031690 Tokyo KYODO in English 0204 GMT 6 Sep 90

[Text] London, Sept. 5 KYODO—The U.S. military has chartered a Japanese-owned vessel to transport equipment and possibly troops to the Middle East, a British shipping business journal reported Wednesday. Lloyd's list named the Panamanian-registered Takoradi owned by the Japanese shipping agent Sekihyo Line as one of nine ships chartered by the U.S. Military Sealift Command.

The United States made a specific request to its North Atlantic Treaty Organization (NATO) allies for ships and planes to be made available in the coming weeks, the newspaper said.

The U.S. military Sealift Command, which is coordinating the shipments of military hardware and supplies to the estimated 60,000 U.S. troops in Saudi Arabia, chartered a further 10 ships on the commercial market, bringing the total to 29 in two weeks, the paper reported.

The latest batch included two vessels from Denmark, one ship from Sweden, two ships from Saudi Arabia, and the first Japanese-owned vessel, it said.

Sekihyo Line contracted with Wilhelmsen Lines of Norway to rent the 19,803-ton roll-on, roll-off freighter to the Norwegian firm for two years from January this year, Sekihyo officials said in Tokyo. The vessel had since then been operating between the east coast of the United States and Nigeria, they said.

The Norwegian shipping company told the Tokyo-based Sekihyo in late August that there was an offer from the U.S. forces to charter the vessel, the officials said. Twenty-two crew members, 17 Koreans and five Japanese, are on board the ship, Sekihyo said.

The Japanese Government announced on August 29 that it will offer chartered civilian cargo planes and ships to transport nonmilitary goods, dispatch a medical team, and boost economic assistance to the Middle East as part of its contributions to resolving the Gulf crisis.

Spokesman Comments on Chartering

OW0609135690 Tokyo KYODO in English 0843 GMT 6 Sep 90

[Text] Tokyo, Sept. 6 KYODO—The president of Toyota Motor Corp., Shoichiro Toyoda, offered full support Thursday for the Japanese Government to go ahead with measures to help restore peace and stability in the Persian Gulf, officials said. Toyoda, head of Japan's top automaker, made the promise in a visit to Prime Minister Toshiki Kaifu, with other business leaders at the prime minister's official residence in Tokyo.

On Thursday, the automobile carrier Sea Venus loaded with 800 vehicles, mainly Toyota's four-wheel-drive vans, set sail for Saudi Arabia. Japan has planned to offer 1 billion dollars in aid to the United States-led multinational force deployed in the Gulf.

"The Gulf crisis is a crucial matter to Japan. The Japanese people earnestly hope for an early peaceful solution," Toyoda said.

Kaifu asked the business leaders to extend cooperation to his government.

Chief Cabinet Secretary Misoji Sakamoto, speaking at a news conference on Thursday, repeated that the government will make the utmost efforts to ensure the safety of the 20-member crew on board the Sea Venus headed for Saudi Arabia.

The car carrier originally left Nagoya on Wednesday after loading the vehicles, but remained at anchor off the port until Thursday morning. The 70,000-member All Japan Seamen's Union demanded a letter from the government guaranteeing the safety of the crew of 16 Filipinos and four Japanese.

Commenting on a report by a British shipping business journal, LLOYD'S LIST, that the U.S. military has chartered a Japanese vessel to transport equipment to the Middle East, Sakamoto said there is no problem because private companies are free to perform business of their own will.

Meanwhile, Prime Minister Kaifu said he will not send a special envoy to Iraq to negotiate the safe departure of

Japanese nationals in Baghdad. Thirty-eight Japanese companies in Iraq called Tuesday for the dispatch of former Prime Minister Yasuhiro Nakasone as a special envoy to negotiate the safe departure of 344 Japanese, including 141 detained at unknown locations.

Gulf Aid Distribution Still Under Consideration

OW0609140990 Tokyo KYODO in English 0619 GMT 6 Sep 90

[Text] Tokyo, Sept. 6 KYODO—The Japanese Government is concerned as to who should be the recipient of its 1 billion U.S. dollar special contribution to help the U.S.-led multinational force in the Persian Gulf, government sources said Thursday. The matter will be high on the agenda in discussions between Japanese leaders and U.S. Treasury Secretary Nicholas Brady, who visits Japan on Friday.

The government at one point studied the idea of establishing a United Nations fund with the money, but dropped it when the U.N. reacted negatively to the suggestion, the sources said. The creation of a secretariat to handle the contribution within the multinational force is another proposal under study, the sources said.

Also being considered is a plan to provide the funds to the Gulf Cooperation Council, a grouping of six Arab states in the Gulf, they said. The council comprises Bahrain, Kuwait, Saudi Arabia, the United Arab Emirates (UAE), Oman, and Qatar. This solution, however, could be complicated by Iraq's recently announced annexation of Kuwait.

Legal and budgetary difficulties remain unless a recipient for the Japanese funds is formally picked, the sources said.

The government is also concerned as to who it should pay for the purchase of 800 four-wheel-drive vehicles, which were Japan's first supplies for the multinational force. A ship carrying the vehicles set sail for Saudi Arabia Thursday morning.

These vehicles are part of Japan's pledged 1 billion dollar financial assistance to the multinational force to help transport equipment to the Middle East, purchase nonmilitary supplies, and provide medical teams. One suggestion is that the multinational force should pay the maker for the vehicles out of the funds provided by the Japanese Government.

Prime Minister Toshiki Kaifu unveiled a six-point program to help resolve the Gulf crisis last week, which included providing logistical support for the multinational force and economic aid to Middle East countries faced with economic difficulties because of their compliance with sanctions against Iraq.

Japan's economic assistance may include not only Arab countries but also East European and Asian countries. The Philippines, India, and Pakistan face economic difficulties because of a surge in oil prices and suspension of remittances from their nationals working in Iraq and Iraqi-occupied Kuwait, the sources said.

Aid Extended for Asian Refugees in Gulf

OW0709040690 Tokyo KYODO in English 0332 GMT 7 Sep 90

[Text] Tokyo, Sept. 7 KYODO—The Japanese Government on Friday decided to extend additional financial aid totaling 12 million dollars to assist relief activities for Asian refugees in the Persian Gulf, Foreign Ministry officials said. The decision came after negotiations between the Foreign and Finance Ministries at the request of the United Nations, and was approved at a regular cabinet meeting Friday morning.

The new aid follows a 1 billion dollar contribution promised by Japan on August 30 to the U.S.-led multinational forces in the Middle East.

Japan has already offered 10 million dollars to help U.N.-led refugee relief activities in Jordan. The 12 million dollars will be used to help Asian refugees, mainly from Bangladesh, the Philippines, Pakistan, and Sri Lanka, to return to their home countries, the officials said.

Since Iraq's August 2 invasion and subsequent annexation of Kuwait, migrant workers in Iraq and Kuwait, mainly from Southeast Asia, have fled in droves to neighboring countries such as Jordan, Turkey, and Saudi Arabia. The officials said an estimated 70,000 Asian refugees are currently stranded in those countries.

Agency Says No Change in Oil Accounting System

OW0409212890 Tokyo KYODO in English 1532 GMT 4 Sep 90

[Text] Tokyo, Sept. 4 KYODO—The Agency of Natural Resources and Energy has decided against requiring oil suppliers to change their accounting system for oil stocks in order to regulate price increases, agency sources said Tuesday. The agency instead will allow oil companies to use their current cost-accounting methods and immediately reflect higher crude oil prices stemming from the Persian Gulf crisis, the sources said.

A proposal by the agency at a recent cabinet meeting that oil companies switch from the last-in, first-out (LIFO) cost accounting method to a total-average system drew sharp criticism from the nation's oil sector.

Although the agency has decided to allow the free market to set the price of oil products, it will spell out measures the agency can take if price gouging occurs, the sources said.

Under the LIFO cost-accounting system, the latest stock purchased is sold at the current market price before old stock is cleared. Oil companies prefer the LIFO because

it allows them to respond immediately to price fluctuations and avoid heavy losses that could result during price wars.

"The prices of oil products, like those of other products, should be determined through the free market mechanism," said one Ministry of International Trade and Industry official. "If we permit a gradual raise of prices to avoid sharp increases, that could trigger a stampede to buy while the products are cheap," he added.

Industry sources said the decision is expected to result in a 10 yen per liter price increase at the nation's gasoline pumps in or after the middle of this month.

The agency will reach a formal decision on the cost-accounting policy within the next few days.

Japanese oil companies were upset by reports that Minister of International Trade and Industry Kabun Muto promised to consider revisions in the way they calculate prices. Their anger was partly based on the fact that the government instructed them to switch to the current LIFO method when the world oil market started easing around 1986.

An official of the Petroleum Association of Japan said, "The government told us change the accounting method when oil prices dropped, and now they say we should adopt another system. We can not manage an oil company under such an inconsistent policy."

"As the prices of the August shipments of crude oil from the Gulf have already been raised by about 10 dollars per barrel, we will suffer massive losses unless we boost the prices of our products immediately," a top official of a major Japanese oil supplier said.

As a precautionary measure, however, the agency will require oil suppliers to report costs for purchasing crude oil every month as a way to impose discipline on the industry, agency sources said. "We cannot help taking a cautious stance toward requiring changes of the accounting system" because that might force oil companies to look for a way around government-imposed price regulations, an agency official said.

Regarding the use of the nation's oil reserves to hold down prices, the official said, "Since the national reserves already cost 30 dollars per barrel, putting them into use would not make any contribution to putting a cap on prices."

"We can contain inflation completely only if we use the reserves in the private sector on the premise that we will buy no additional oil for a certain period of time, while using up the entire oil reserve," he said. "But in reality, we will have to keep buying oil even if prices are quite high to retain the level of the reserves," he added.

Kaifu Urges 'Partnership' With ROK for Peace

OW0409141590 Tokyo KYODO in English 1255 GMT 4 Sep 90

[Text] Tokyo, Sept. 4 KYODO—Prime Minister Toshiki Kaifu said Tuesday that Japan will act in partnership with South Korea to work for peace and stability in Asia, officials said.

Kaifu made the remark during a meeting at his official residence with Pak Tae-chun, a senior member of the South Korean ruling Democratic Liberal Party. Pak is visiting Japan to attend a general meeting of the South Korea-Japan Parliamentarians' League. Kaifu told his South Korean guest that Japan and South Korea will stay in full contact whenever necessary, a pledge he said he had reconfirmed with South Korean President No Tae-u during his visit to Tokyo in May.

Pak also met separately with Foreign Minister Taro Nakayama, who said that Japan and South Korea should not avoid confronting difficult issues between the two countries and should resolve them as soon as possible. Japanese officials said Nakayama was referring to the politically sensitive question of the legal status of Koreans in Japan.

Nakayama also said he is happy that the prime ministers of both Koreas are meeting in Seoul and that he hopes the talks will be conducive to political stability in Asia.

Pak also paid a courtesy call on former Prime Minister Noboru Takeshita, who is chairman of the Japan-South Korean Parliamentary League.

The 18th general meeting of the parliamentary leagues from both countries is scheduled to take place on Wednesday and Thursday in Tokyo, with 45 South Korean lawmakers and some 100 Japanese legislators expected to attend. They will likely discuss bilateral issues such as the legal status of third-generation Koreans living in Japan, and Koreans living in Sakhalin who were forcibly taken and used as slave labor during Japan's 1910-45 colonial rule of the Korean peninsula.

Japanese-ROK Lawmakers Open League Session

OW0509130790 Tokyo KYODO in English 0622 GMT 5 Sep 90

[Text] Tokyo, Sept. 5 KYODO—Leading members of Japan's ruling Liberal Democratic Party (LDP) and South Korea's governing Democratic Liberal Party (DLP) opened a Japan-South Korea Parliamentarians' League session Wednesday with calls to establish a bilateral relationship that looks to the future.

Lawmakers belonging to the mostly conservative bipartisan league gathered at Tokyo's Tojo Kaikan Hall for a one-day meeting, the 18th general session, to exchange views on bilateral and international affairs.

Pak Tae-chun, co-chairman of the DLP, who led the South Korean side, said in the opening ceremony that

the bilateral relationship has evolved into a form that should allow Japan and South Korea to seek peace and prosperity hand-in-hand in the vast Asia-Pacific region.

Pointing to comments by President No Tae-u and Prime Minister Toshiki Kaifu in their May summit talks here on the past between the two countries, Pak said that it is now the duty of politicians of both countries to set their peoples free from past legacies and turn their eyes to the future.

Touching on the ongoing South-North Korean prime ministers' meeting in Seoul, Pak said South Korean politicians are determined to do their best to utilize this precious opportunity to bring broader South-North exchanges in many fields.

Former Prime Minister Noboru Takeshita, who heads the Japanese representatives, hailed No's visit to Japan as epoch-making in the bilateral history and said it helped establish a partnership into the next century.

Takeshita pledged Japanese lawmakers' further efforts on the remaining problems between the two sides, including the legal status of Korean residents of Japan, the return of Koreans abandoned by Japan after World War II in the Soviet island of Sakhalin, north of Japan and assisting Korean atomic-bomb victims.

The Japanese and South Korean legislators were to discuss security, economic, and cultural issues, and the Korean residents issue in separate sessions later Wednesday.

Issue Joint Statement 5 Sep

OW0509151490 Tokyo KYODO in English 1137 GMT 5 Sep 90

[Text] Tokyo, Sept. 5 KYODO—Japanese and South Korean lawmakers on Wednesday hailed the historic meeting between the prime ministers of North and South Korea and said they hope it will lead to peaceful unification of the Korean peninsula.

The Japan-Korea Parliamentarians' League and its South Korean counterpart, the Korea-Japan Parliamentarians' League, said in a joint statement after an annual meeting that they believe the inter-Korean prime ministerial talks will contribute to peace and security in Northeast Asia.

The statement said the two parliamentarian groups also agreed that improvement of Japan's ties with North Korea would contribute to peace and security in the Korean peninsula.

Mutsuki Kato, chairman of the Policy Affairs Council of Japan's ruling Liberal Democratic Party [LDP], said at a news conference that he had told the South Koreans of the LDP's efforts to improve ties with Pyongyang. The party is sending a high-powered delegation to North Korea under former Deputy Prime Minister Shin Kanemaru.

An advance team of lawmakers from the LDP and the Japan Socialist Party is now in Pyongyang to pave the way for Kanemaru's trip, which is expected this fall.

Chung Suk-mo, a ruling Democratic Liberal Party (DLP) member of the South Korean National Assembly, said the two parliamentarian groups had agreed to set up a committee to work toward a new era in bilateral relations. The two sides also reached agreement to improve scientific cooperation, including Japan's transfer of advanced technology to South Korea.

The parliamentarians also said they will make efforts to improve the legal status of Koreans in Japan, and to assist Korean survivors of the atomic bombings of Hiroshima and Nagasaki as well as Koreans Japan left on the present Soviet island of Sakhalin after World War II.

Former Japanese Prime Minister Noboru Takeshita, who heads the Japanese parliamentarians' group, attended the 18th annual meeting along with 140 other Japanese lawmakers, mostly from the LDP, Komeito, and Democratic Socialist Party.

The South Koreans were represented by 44 DLP legislators, led by DLP Co-Chairman Pak Tae-chun.

On Tuesday, Pak met with Prime Minister Toshiki Kaifu and attended a dinner hosted by Foreign Minister Taro Nakayama.

Fujitsu Unveils New General Purpose Computers

OW0409213690 Tokyo KYODO in English 1238 GMT 4 Sep 90

[Text] Tokyo, Sept. 4 KYODO—Fujitsu Ltd. unveiled Tuesday a series of new generation, large-scale general purpose mainframe computers that it claims have the fastest processing speeds in the world.

The five models in the M-1800 mainframe lineup use from 2 to 8 microprocessors each. The top-of-the-line M-1800/85 executes slightly less than 600 million instructions per second (MIPS), far surpassing Hitachi's M-880/420 computer which features a processing performance of 155 MIPS, officials said.

The computers have a main storage capacity of two gigabytes. A giga is equal to a billion. A byte is equal to eight bits of information, which are given values of "0" or "1" to convey or store data.

The new generation machines, due for shipment next April, boast radical architecture that makes them compatible with both the Unix operating system (OS) and IBM's new "Summit" computer MVS/ESA OS, officials said.

The computer lineup is intended to fend off competitors like International Business Machines, which will unveil the new "Summit" mainframe computers on Wednesday in the United States, and Hitachi Ltd. and NEC Corp, officials said.

In the past four months, competition in the large mainframe computer market has been heating up with new product announcements almost every month. Hitachi unveiled in June its M-880 processors group and NEC Corp. announced in July its new generation large computer, which uses up to six microprocessors.

Fujitsu's new computer series could also cause worries for IBM in Britain and Europe, where the U.S. electronics maker holds a major share of the large computer market, industry sources said.

The company's recent purchase of ICL Ltd., Britain's largest computer maker, sets it in a prime position to rival IBM, if the latter's "Summit" computer fails to impress experts. Furthermore, Fujitsu is promoting a Unix OS which is different from IBM's multi-tasking and multi-networking Unix OS.

Fujitsu belongs to Unix International, a consortium started by U.S.-based American Telephone and Telegraph Co., which is battling with IBM's sponsored open software foundation for a single Unix international standard.

Officials said that monthly rental prices for the new computers will range from 7.8 million yen to 290 million yen, depending on the number of microprocessors used in the computer.

North Korea

North-South Talks Conclude; Reaction Continues

North Media's Treatment Decried

SK0709035590 Pyongyang Domestic Service in Korean 0855 GMT 5 Sep 90

[NODONG SINMUN 5 September commentary: "A Deliberate Act of Pouring Cold Water on the High-Level Talks"]

[Text] The South side's reaction to the arrival in Seoul of our side's delegation to participate in the North-South High-Level Talks has been senseless in the true sense of the word. The press in Seoul is the particular case in point.

On 4 September, South Korea's major newspapers, including TONG-A ILBO and CHOSON ILBO, not only printed provocative articles belittling our social system, but also carried an insulting report disparaging members of our side's delegation who had traveled to the South in the past.

In addition, some newspapers came out with false articles, saying relatives claimed kinship to some members who have come to Seoul for the talks. If it was any one individual paper that undertook such a filthy act, it can be considered to be an individual act of that newspaper.

Given the fact all the South Korean papers printed in unison such provocative and slanderous articles on the very day we were received, however, there is no question some crooked men who do not want reunification had their black hands operating behind them.

It is not because we have nothing to write about the South Korean social system that we have not written anything about it. It was because we wanted to keep the atmosphere favorable to the high-level talks between the delegations headed by the premier-level officials of the North and South as they have been arranged, and we meant to be useful to the settlement of the reunification question, which the fellow countrymen in the North and South want.

Now, however, it is a rude, uncourteous, and immoral act, as well as an open challenge to us, that the South side raised the curtain to a smear campaign after receiving our delegation as guests.

This also reveals that the South side has no intention to work out ways of solving the urgent pending issues, including the question of smoothly conducting the North-South High-Level Talks and thus removing the political and military confrontation and producing a breakthrough for reunification.

Such attempts by the South side were manifested in the fact the South side directly and indirectly tried to bar our reporters from covering the events.

When the delegation arrived in Seoul, not only did the South side mobilize agents of suppressive organizations of various stripes to barricade the hotel where our delegation was put up, but it also fell upon our reporters by fours and fives and dragged them away when they tried to videotape the arrival of the premier of the state Administration Council in Seoul, thus preventing them from covering the scenes.

Letting loose hundreds of agents wearing press arm bands, the South side now is making them cause disturbances to keep our reporters from freely covering the scenes.

Due to the unfavorable conditions for communication, our reporters had difficulties in sending to Pyongyang news of the delegation's arrival in Seoul. This runs counter even to standard courtesy. In such acts we see the insidious intent of the South side bent on keeping our reporters from covering the activities in a fair manner and on misleading public opinion through its one-sided and distorted reports. The South side's attempt, however, never will be successful.

Our chuche-oriented social system guided by the great leader Comrade Kim Il-song and the dear Comrade Kim Chong-il is a world-recognized superior social system of our own style whose authority never can be undermined, no matter how much the persons in authority in South Korea or the press they sponsor may try to bring asunder.

We warn the South side against attempting such a foolish act of trying to break rocks with fists.

It is foolish of the South side to attempt to irritate us and incite North-South confrontation by creating obstacles to the cause of national reunification.

As manifested during our delegation's arrival in Seoul on 4 September, the South Korean people welcomed our delegation with the warmth of blood relatives, warmly longing for national reunification.

Whether the splittist forces want it or not, our people in the North and South will achieve the historical cause of national reunification by pooling their strength.

Students 'Brutally Suppressed'

SK0609114590 Pyongyang KCNA in English 1055 GMT 6 Sep 90

[Text] Seoul September 6 (KCNA correspondent)—Gangster-like operatives of South Korea brutally suppressed Yonsei University students who came to meet the North side's delegation in Seoul Wednesday.

The students were approaching hotel Inter-Continental, tightly ringed by police, to meet the North side's delegation as they announced on September 4.

Reporters from the North walked toward them, taking them for ordinary young people, and asked who they were?

One of them wearing broad smile, introduced himself as Yi Song-un studying at the Law College of Yonsei University. That moment, gangsters pounced upon the student and muzzled him and kicked and beat him up, grabbing him by the hair.

While the gangster operatives were running riot, ten other students of the same university unfurled a red-colored large streamer reading "Let's achieve national reunification through the unity of North and South Korea."

Then, some 100 operatives fell upon the students and took them to the underground passage, beating them up.

Journalists from the North were going to take pictures of the scene. But the operatives kicked them, broke their glasses and twisted their fingers till they were swollen.

South Paper on 'Propaganda'

SK0609111890 Pyongyang KCNA in English 1042 GMT 6 Sep 90

[Text] Pyongyang September 6 (KCNA)—The South Korean newspaper HANGYORE SINMUN September 4 carried an article by Prof. [Professor] Yi Hyo-song of Songgyungwan University calling on the mass media of South Korea to be unbiased in news service and refrain from anti-reunification propaganda, in connection with the North-South High-Level Talks, a report from Seoul said.

The author said in the preface: "Our mass media on behalf of the people should prevent the North-South talks this time from becoming a means of bridging over the crisis of the 'government' or a site of propaganda for antagonism and distrust between the North and the South and should help the talks to be a sincere one to achieve something for the nation."

The article continued:

In news service concerning the North-South talks, the media should maintain a position critical of the attitude of the ruling quarters to the talks.

They should mercilessly criticise anti-reunification forces and such elements.

If some people intend or attempt to use the North-South talks as an opportunity of bridging over the crisis of the "government," the media should criticise them. The media should keep vigilance to prevent the talks from being used for any other purpose than the important efforts for reunification.

The media should approach the North-South High-Level Talks from the pan-national viewpoint for averting the danger of war, a result of the North-South confrontation, and promoting national unity, not from the viewpoint of the ruling quarters who work hard to strengthen their government power.

Reporters' Actions Denounced

SK0609113190 Pyongyang KCNA in English 1047 GMT 6 Sep 90

[Text] Seoul September 5 (KCNA correspondent)—In the early morning Wednesday, many journalists of the South side swarmed to the Inter-Continental Hotel which is designated as the lodging place of the delegation and suite members of the North side and concurrently the venue of the talks.

The South side's reporters alone numbered more than 300 and those with the plates of "organizes," "guide" and "service" on their chests and others even without such plate came to the hotel and competed in "news coverage" with reporters of the North side. Their obstructive operation made it impossible for our reporters even to think of normal activities.

One woman introduced herself as a "journalist" and asked for an "interview," disgustingly thrusting her arm under our cameraman's arm, when those who pretended to be cameramen of the South side made a fuss, focussing the lens on this "golden chance." It was obvious that the unidentified woman was a disguised "journalist" employed for the despicable purpose of vilifying the North with a propaganda picture.

But the story does not end here.

In the midst of the "news coverage" rowdyism, the newspapers HANGUK ILBO, TONG-A ILBO and CHOSON ILBO in Seoul September 4 carried articles hurling mud at the North and vilifying the social system of the North.

It is not yet known who ordered the editors of some newspapers in South Korea to do this kind of act, but it

is obvious that this is a deliberate act to foster an endless confrontation and distrust and seek a sinister purpose of provoking the North and bringing the North-South talks to a rupture.

We will closely watch the acts of some paid journalists of the South side.

North Spokesman Sums Up Talks

SK0709064890 Pyongyang Domestic Service in Korean 1200 GMT 6 Sep 90

[Text] The first round of North-South High-Level Talks has ended. The second-day session of the first round of North-South High-Level Talks was held at the Inter-Continental Hotel in Seoul on 6 September. Present on our side were head of our delegation to the talks Yon Hyong-muk, premier of the State Administration Council of the DPRK; delegates; and the entourage. Present on the South side were the chief delegate, delegates, and some entourage members.

At the first-day session, our side put forward three principles to be adhered to in the whole course of the talks, a proposal for eliminating the state of political confrontation, a proposal for removing the state of military confrontation, and a proposal for cooperation and exchange.

In particular, giving essential significance to the question of removing the political and military confrontation, our side proposed that both sides discuss and solve, as the most urgent matters, the issue of sharing the same seat in the United Nations, the issue of staging no more "Team Spirit" joint military exercises, and the issue of releasing those personages who visited the North, including Rev. [Reverend] Mun Ik-hwan, student Yim Su-kyong, and Father Mun kyu-hyon.

At the second-day session which was held in camera according to the agreement between the two sides, concrete discussions were made on the proposals advanced by the two sides at the first-day session.

At the end of the talks, An Pyong-su, spokesman for our side, gave a news briefing.

[Begin An Pyong-su recording] How are you? The North side's delegation to North-South High-Level Talks came to Seoul with a very important (?sense of responsibility) for the first round of North-South High-Level Talks, which was held for two days on 5 and 6 September in Seoul. We attach particular significance to the talks, because the authorities of the North and the South in actuality have been the parties concerned in North-South confrontation, not the main parties for unity and reunification. Therefore, compared to the heated reunification fever in the North and the South—that is, the desire of the people there for reunification—we can say that that of the authorities of the North and the South have been very (?wanting). So, I think the authorities of the North and the South alike attended the current talks, deeply recognizing the importance of their responsibility for the talks.

Our delegation, too, made efforts to make the first round of the talks successful and fruitful at any cost. As you already know through the news reports on the first-day session, we proposed to the other side to basically reach an agreement on the following issues.

First, we proposed that prior to the start of the talks, both sides agree on the following three principles as the basic rules of conduct they should observe in the whole course of the talks. The three principles are: First, both sides should reaffirm the three principles of independence, peaceful reunification, and great national unity—which already have been agreed upon by the two sides of the North and the South, and which have been made public to the world—and should thoroughly abide by them. Second, both sides should place the common national interest above either side's interest in the discussing issues. I think this is necessary to achieve progress in discussion on reunification. Third, both sides shall refrain from acts spoiling the atmosphere or hindering the talks' progress. This is what our side proposed.

Next, as the basic matters that both sides should discuss and solve within the framework of the agenda of the talks, "On Removing the Political and Military Confrontation Between the North and the South and Realizing Multilateral Cooperation and Exchange Between Them," first, we put forward a proposal to remove the political confrontation, second, we put forward a proposal to remove the military confrontation, and third, we put forward a matter of adopting a declaration of nonaggression between the North and South. Then we inclusively and [word indistinct] proposed matters on realizing multilateral cooperation and exchange.

I will omit the details on this issue. We think all the proposals we advanced this time are basic matters we should solve within the framework of the agenda. [Words indistinct], we proposed the following three issues, regarding them as the most urgent pending issues in (?improving) relations between the North and the South. They are: First, the issue of entering the United Nations, sharing the same seat. Second, the issue of staging no more "Team spirit" joint military exercises. Third, the issue of releasing those who visited the North.

We proposed these three issues because they are the most urgent ones in the framework of the agenda of the talks, "On Removing the Political and Military Confrontation Between the North and the South and Realizing Cooperation and Exchange." We think these three issues are not outside this agenda. We also made some proposals which reflected the South side's stand on the first-day session.

We have realized that in the stand and proposals the two sides have presented thus far there are differences between the two sides, which we could say are essential

differences, on the following points. The first is disarmament between the North and the South and the withdrawal of U.S. forces and nuclear weapons, which are most basic problems in creating favorable circumstances for peace on the Korean peninsula and its peaceful reunification. This issue should be (?settled) in due course. We thought this issue should be presented, because talking about peace, laying aside this basic issue, is not (?reasonable). Second are the proposals which proceed from the stand of maintaining the status quo, fixing division, and creating two Koreas.

As you probably know, the three-point agreement on improving North-South relations, which was proposed by the South side, has no different content from the proposal for provisional agreement [passage indistinct] which was advanced 10 years ago. We view the three-point agreement to be similar to the basic agreement on relations between East and West Germany which has legalized two Germanys.

All told, we are paying attention to a series of issues that constitute the norm of the mutual relations between the two states, for example, the issue of interference in internal affairs and mutual recognition.

Next, as to where to start and what must be done first in approaching the reunification question, which must be approached step by step, on a phased basis, as in the past, we are wondering whether the South side is not bent on prolonging agreement considerably, in view of the urgent desire for reunification.

Third, what we consider to be a problem is whether to give priority to exchange and cooperation or to the political and military issue in the settlement of the basic question between the South and North [as heard], that is to say the reunification question.

As we stressed in the first day of the meeting, we think such things as exchange and cooperation in our country cannot be satisfactorily realized when the state of political and military confrontation is as acute as it is now. This in itself is unstable.

Also, we think such things can be used for confrontational purposes by the two sides.

In fact, the basic problem between the South and North is to remove mistrust between the two sides. What is the nucleus of this mistrust? The mistrust stems from the mutual fear of invasion—southward invasion and northward invasion.

Proceeding from this, we regard the settlement of the political and military issues as the most priority and fundamental issue, whereas the South side's authorities give priority to exchange, as expected.

We consider that such differences in opinion between the two sides are an area in which the two sides will have to make great mutual effort to narrow the differences.

Finally, we have discussed a few immediate issues, ones that have been discussed in today's talks. Our side proposed that three principles, the principles constituting the basis of discussion, are to be discussed and agreed upon. Countering this, the South side brought up for discussion an eight-point agreement on improving relations between the South and North. After discussing such things, we have agreed to further study them and discuss them at the next round of talks.

Next, the UN issue. The two sides have revealed differences on whether they will enter the United Nations as single seat or unilaterally, as expected. So we proposed to the South that the two sides appoint delegates and have them seriously discuss this issue further and reach an agreement on it.

We are toying with an idea of having delegates from both sides, two to three of them, continue discussion in the conference room of the Neutral Nations Supervisory Commission a week later. We have not agreed upon it yet.

We have not managed to reach an agreement on "Team Spirit" and the release of those imprisoned on charges of having visited the North.

Of course, as I mentioned before, there are conspicuous differences in the positions, standpoint, and proposals of the two sides. At the same time, however, the two sides have many things in common when it comes to the particulars of a series of issues.

Judging from such a point, we are not skeptical about the future of the talks. In particular, we think the first round of talks this time has been successful and made headway in some aspects.

First, we find it significant that the important North-South High-Level Talks were held between the delegations of the two sides headed by premiers of the North and South.

That the North and South have agreed to discuss such a wide range of issues at such high-level talks, the first of its kind, in itself is greatly significant, as a survey of the history of the South-North dialogue will show.

Second, we have, of course, not reached any agreement during the first round of high-level talks. The two sides, however, have made their own positions plain and have put forward proposals. The two sides have outlined their basic positions, although they have many things, specific aspects and particulars, that they must absorb.

Under such conditions, we already have laid the foundation for advancing discussions in future talks. We also think there is a possibility for us to understand each other and come close to each other by understanding what the other side is concerned about and what position the other side is in.

In conclusion, what we consider to be (?progressive) is that the two sittings during the first round of talks this time have been more serious and substantial than in any

previous talks. We think the two sides share this view. Given the past experiences, this is a basic change in the attitude of the two sides toward talks.

If we keep discussions based on such a small success, we are optimistic we will be able to make progress without fail, although we have not managed to make any great progress in the first round of talks.

Yon Hyong-muk Addresses Banquet

SK0609151290 Pyongyang KCNA in English 1459 GMT 6 Sep 90

[Text] Seoul September 6 (KCNA correspondent)—"Speaker of the National Assembly" of the South side Pak Chun-kyu hosted a dinner this evening in honor of the North side's delegation staying in Seoul after participating in the first North-South High-Level Talks.

Speaking at the dinner, Premier Yon Hyong-muk, head of the North side's delegation, said that we held the first talks and took the first step toward the reunification and confirmed each other's stand and view at the talks and thus laid a certain foundation for tomorrow. It is regretful however, that no agreement has been reached between the two sides, he noted.

With the great cause of reunification, the supreme task of the nation, before us, all of us should think reunification before anything else and think the destiny of the nation above all and be united as one, regardless of the North and the South, differences of idea and system, party affiliation and class and property status, he noted, adding:

Our nation will defuse confrontation and antagonism and remove artificial division and obstacles with our own efforts along the road indicated by history and will certainly build an independent and peaceful reunified country free from foreign forces and fear of war.

Stressing that the North side's delegation will actively promote the successful progress of the high-level talks, put an end to the political and military confrontation at an early date and open a new phase of reunification in the '90s in step with the reunification movement which is being vigorously conducted in the North and the South, he expressed the hope that officials of political and public circles of the South side and all the fellow countrymen in the South will join us in our sincere efforts for reunification.

South Korean "National Assembly Speaker" Pak Chun-kyu made a speech at the dinner.

KCNA Summarizes Talks

SK0609160090 Pyongyang KCNA in English 1546 GMT 6 Sep 90

[Text] Seoul September 6 (KCNA correspondent)—The second-day session of the first North-South High Level Talks was held at the Inter-Continental Hotel in Seoul on September 6.

Present on our side were head of its delegation to the talks Yon Hyong-muk, premier of the Administration Council of the DPRK, delegates and and the suite.

Present on the South side were the chief delegate, delegates and the suite.

At the first-day session, our side put forward three principles to be adhered to in the whole course of the talks, the proposal for eliminating the state of the political confrontation, the proposal for removing the state of the military confrontation and the proposal for cooperation and exchanges.

Our side notably proposed to discuss as the most urgent matters the issues of sharing the same seat in the United Nations, staging no more "Team Spirit" joint military exercises and releasing those persons who visited the North including the Rev. [Reverend] Mun Ik-hwan, woman student Yim Su-kyong and Father Mun Kyu-hyon, giving essential significance to the question of removing the political and military confrontation.

Concrete discussions on the proposals advanced by the two sides were made at the second-day session which was held in camera according to the agreement between the two sides.

At the end of the talks, An Pyong-su, spokesman for our side, gave a news briefing.

North Delegates Meet No Tae-u

SK0609164290 Pyongyang KCNA in English 1617 GMT 6 Sep 90

[Text] Seoul September 6 (KCNA correspondent)—The North side's delegation led by Premier Yon Hyong-muk, staying in Seoul after concluding the first round of North-South High-Level Talks, visited "Chongwadae" this afternoon.

The spokesman of the North side's delegation said Premier Yon Hyong-muk told the "president" of the South side that our delegation's visit to Seoul was, of course, according to the agreement of both sides, but it could be realised despite the complex situation, thanks to the decision of respected President Kim Il-song.

Noting that President Kim Il-song, deeply considerate of the problem of national reunification, is exerting great effort to resolve it, the premier continued: Our leader always says that the divided country must not be handed down to the posterity and that the reunification of the country is the greatest gift he can give to the people.

The premier quoted respected President Kim Il-song as saying that in order to reunify our country at an early date, the three principles set out in the July 4 North-South joint statement should be observed, that is, national reunification must be achieved independently without dependence on outside forces or outside interference, and by peaceful means without recourse to the

use of arms and by promoting great national unity irrespective of the differences in idea, ideology and social system.

President Kim Il-song holds that if our country remains divided, outside forces would fish in troubled waters and that in order to accelerate the reunification, the North and the South must not stand in confrontation, asserting ideology and system, but promote unity as the same nation, said Yon Hyong-muk, and noted: The North and the South have different ideologies and social systems, but it cannot be the reason why our fellow countrymen must live separated. Although we have different ideologies and systems, we can live in a reunified state because we belong to one nation with the same blood and language. This is what respected President Kim Il-song thinks.

In this sense, respected President Kim Il-song taught that the country must and can certainly be reunified without invasion from the North or the South by allowing no side to conquer the other or to be conquered and that confederation is the way of settling the reunification problem most quickly, peacefully and fairly under the situation of our country, added Yon Hyong-muk, and went on: When respected President Kim Il-song was sending our delegation to Seoul this time, he told us to successfully hold the North-South High-Level Talks because the talks are of great importance in terminating the tragedy of national division and creating preconditions for the promotion of national reunification.

Premier Yon Hyong-muk continued:

We think that the removal of the political and military confrontation between the two sides and the dispelling of distrust between them are what the North and the South must solve first of all in promoting unity and reunification. We expect that this problem will certainly be solved at the high-level talks.

We suggest that the two sides should solve, before anything else, the pending issues in North-South relations, the urgent ones related to the destiny of the dialogue.

Although 45 years have passed since the division of the country, none of the North and the South has entered the United Nations, he said, adding: If the North and the South enter the U.N. now separately, it is not a reasonable thing.

The South "president" said that he would consider that.

Pointing out that it is against the trend of the times to continue the "Team Spirit" joint military exercises when dialogue and negotiation, detente and disarmament and the withdrawal of the foreign troops are now becoming a worldwide trend today, Yon Hyong-muk urged the South "president" to stop the exercises at least for three years to come.

The South "president" said nothing on this matter.

Yon Hyong-muk urged him to correctly deal with the matter of releasing those people who visited the North, saying: Only then, can we have the honor of reporting it to respected President Kim Il-song and have the face to appear before the people after going back.

As regards, this, the South "president" asked Yon Hyong-muk to entrust the matter to him.

If such problems are solved, it will have a good influence upon improving the North-South relations which have been cooled a little more these days and holding the high-level talks satisfactorily, and the members of the delegation visiting Seoul will feel much relieved, Yon Hyong-muk said, and urged the South "president" again to make a political determination.

Radio Reports Meeting With No

SK0709065790 Pyongyang Domestic Service in Korean 2100 GMT 6 Sep 90

[Text] The North side's delegation led by Premier Yon Hyong-muk, which is staying in Seoul after concluding the first round of North-South High-Level Talks, visited Chongwadae yesterday afternoon.

The spokesman of our side's delegation said that yesterday, Premier Yon Hyong-muk emphasized to the South side's president that our delegation's visit to Seoul this time was, of course, according to the mutual agreement by both sides, but that it could be realized, despite the complex situation, thanks to the decision of the respected and beloved President Kim Il-song.

He also told the South side's president that the respected and beloved President Kim Il-song is advanced in years, but that he is as usual attending to official duties energetically, and especially, while deeply deliberating on the issue of the reunification of the fatherland, is devoting his all to this issue. He also told the South side's president that our leader always said that the divided fatherland must not be handed down to our future generations and that a reunified fatherland is the biggest gift that he can give to the people.

He quoted the respected and beloved President Kim Il-song as saying that in order to achieve the reunification of our fatherland as soon as possible, the three principles, as revealed in the 4 July North-South joint statement should be observed, that is, the reunification of the fatherland must be achieved in an independent way without depending on outside forces or outside interference, by peaceful means without the use of arms, and by promoting great national unity irrespective of the differences in idea, ideology, and social system.

He indicated that President Kim Il-song holds that if our country continues to be divided, outside forces would fish in troubled waters and that in order to achieve reunification ahead of schedule, the North and South must not stand in confrontation, asserting ideology and system, but promote unity as the same nation.

He also emphasized that the intention of the respected and beloved President Kim Il-song is that even though the North and South differ in ideology and system, this cannot be the reason for our fellow countrymen to live separated, and that since we belong to one nation with the same blood and language we can live together as one reunified state even though we have different ideologies and systems.

He told the South side's president that, in this sense, the respected and beloved President Kim Il-song taught that there must be no invasion from the South or North and that reunification must and can certainly be achieved not in the way of allowing one side to conquer the other or to be conquered. He also said that the respected and beloved President Kim Il-song taught that the confederal system is the way of solving the reunification issue most quickly, peacefully, and fairly under the current situation of our country.

He said that while the respected and beloved President Kim Il-song was sending off our delegation to Seoul this time, he told us to successfully hold the high-level talks because the talks are of great importance in removing the tragedy of national division and creating preconditions for the promotion of national reunification ahead of schedule.

Then, Premier Yon Hyong-muk said that he thinks that the issue must be resolved with priority by the North and South aiming toward unity and reunification today, and that this is to dissolve the political and military confrontation between the two sides and to dispel distrust. He added that our side anticipates that this issue will be resolved in the high-level talks without fail.

He revealed that before anything else, we suggest that the two sides should resolve the pending issues facing North-South relations, that is the urgent ones related to the destiny of the dialogue.

He said that even though 45 years have passed since the division of the nation, none of the North and South have entered the United Nations and that it is not appropriate for the North and South to enter the United Nations separately at this time. In relation to this, the South side's president said that he would consider this issue.

Our side's premier made a request to the South side's president to stop the "Team Spirit" joint military exercises at least for three years since it is against the trend of the times to continue this military exercise when dialogue and negotiation, detente and arms reduction, and the withdrawal of foreign troops are now becoming a worldwide trend. In relation to this, the South side's president did not express any kind of reaction.

Next, Premier Yon Hyong-muk urged him to correctly deal with the matter of releasing those figures who had visited the North and said that only then can we have the honor of reporting it to the respected and beloved President Kim Il-song and have the face to appear before the people after going back. In relation to this the South side's president requested that this matter be entrusted upon him.

Premier Yon Hyong-muk said that if such issues are resolved, it will have a good influence in removing the tense North-South relations which has been cooled a little more these days and in smoothly carrying out the high-level talks and that the members of the delegation visiting Seoul will feel much relieved. He once again urged the president to make a political determination.

An Issues Departure Statement

SK0709113090 Pyongyang Domestic Service in Korean 0440 GMT 7 Sep 90

[Statement by An Pyong-su, spokesman for the North Korean delegation to the first round of North-South High-Level Talks, given in Seoul on 7 September—recorded]

[Text] Dear Seoul citizens, fellow countrymen, and brethren in the South, reporters at home and from abroad: Our delegation, which has been in Seoul for the first round of North-South High-Level Talks, is about to leave for Pyongyang, winding up its itinerary. Before leaving, on behalf of our delegation, I express deep gratitude to the citizens of Seoul and the fellow countrymen and brethren of the South for warmly greeting our delegation with warm compatriotic love. We also express, in the name of our delegation, our wholehearted gratitude to Mr. Prime Minister Kang Yong-hun, and other members of the South side's delegation for their deep attention to make us feel at home during our stay in Seoul, to those who assisted in holding the talks for all the expediency they provided us, and to the reporters at home and from abroad for their deep attention to our talks.

Despite the short length of our stay, looking at the warm greeting, not only as the same flesh and blood but as the mission of reunification as well, accorded to us by the citizens of Seoul and our fellow countrymen and women during our stay, we could strongly and clearly feel that the fellow countrymen in the North and the South are one brethren and one family that cannot be separated and that the yearning for the fatherland's reunification is boiling hot in the North, the South, and wherever the fellow countrymen are.

With this national yearning embedded deep in our mind, our delegation did its best to explore agreements in the talks between the two sides, putting forward realistic and reasonable proposals to remove the strained political and military confrontation between the North and the South and promote national reconciliation and unity. However, in the first round of talks, no concrete progress was made in the discussion of the issues on the agenda. Of course, one should not expect all the issues to be resolved all at once in talks held for the first time, but we came to the talks with the hope that agreement would be reached on at least the three principles that should be abided by in the talks, including the three principles of the fatherland's reunification, independence, peaceful

reunification, and great national unity—I will not repeat the their contents since you are all aware of them—and on the three urgent pending problems, namely, entering the United Nations by sharing the same single seat, suspending the "Team Spirit" joint military exercise, and releasing those who visited the North.

Apart from the agreement to discuss separately the issue of UN entry in the delegates' contact in the future, however, we failed to resolve any of the other issues. We regard the issue of suspending the "Team Spirit" joint military exercise and releasing those who visited the North, on which agreement was not reached, as the most urgent problem within the framework of the agenda "On Removing Political and Military Confrontation Between the North and the South" and as a very serious problem connected to the fate of the talks in the future. Therefore, we think that these issues should be resolved at an early date.

Summing up the first round of talks, we can say that it was a step forward that the two sides, aware of the importance of the high-level talks, held effective discussions in a more serious atmosphere than ever before. And we think that it is of positive significance for an extensive dialogue in the future that during our stay in Seoul we had an opportunity to contact the leading figures of the South Korean political parties and organizations, including the presidents of the opposition parties; to get to know them; and to exchange dialogue, though brief, with them.

We regret we are returning home unable to visit the families of those who visited the North, such as Rev. [Reverend] Mun Ik-hwan, coed Yim Su-kyong, and Father Mun Kyu-hyon, during our visit to Seoul. In this connection, we requested that consolation from the people of the northern half of the Republic be conveyed to the families of those who visited the North; that, if this was not possible, (?several) of us be allowed to meet them for even 10 minutes; and if this was not possible, we be allowed to meet them in camera. But our simple request was rejected.

We think that under the circumstances, in which the persons in authority of the North and the South visit each other and hold talks to bring forth a turning point for reunification, it is not right, not only from the standpoint of the fatherland's reunification but also from the humanitarian standpoint, that those who visited the North are still imprisoned and that meeting with their families is not allowed. Under these circumstances, we are compelled to deliver to their families—indirectly through the South side—the goods of consolation that those who visited the North received from their flesh and blood during their stay in Pyongyang and their personal belongings. We are supposed to receive photographs from the South side concerning this—photographs showing this delivery.

We think it extremely regrettable the South Korean university students and residents from all walks of life who visited our delegation's lodging quarters to meet with it were stopped, whisked away, and arrested. We regard this undesirable incident that took place before our eyes as a defilement to us and hurting the national unity in particular and demand they be released.

With deep awareness of our noble mission and duty before the times and the masses, we will continue to make sincere efforts in the future as well so the North-South High-Level Talks can bring forth a historic turning point practically contributing to easing the strained state of political and military confrontation on the Korean peninsula and realizing national reconciliation and unity.

We express the expectation and conviction that there certainly will be good results from the second round of North-South High-Level Talks in Pyongyang in conformity with the expectations of all fellow countrymen.

Our delegation departs here with the warm feeling of flesh and blood from the fellow countrymen of the South, including the citizens of Seoul, to the brethren of the northern half of the Republic. When we return to Pyongyang, we will convey your greetings of compatriotic love to the brethren of the northern half. Good-bye. Thank you.

North Delegation Leaves Seoul

SK0709062090 Pyongyang KCNA in English 0526 GMT 7 Sep 90

[Text] Seoul September 7 (KCNA correspondent)—The delegation of the North side which had participated in the first North-South High-Level Talks left Seoul on the morning of September 7.

Officials of the South side's delegation left the hotel for Panmunjom in accompany with our delegation.

Arrives in Pyongyang

SK0709063090 Pyongyang KCNA in English 0548 GMT 7 Sep 90

[Text] Pyongyang September 7 (KCNA)—The North side's delegation came back to Pyongyang today through Panmunjom and Kaesong after participating in the first round of North-South High-Level Talks.

Those returning were Yon Hyong-muk, premier of the Administration Council of the DPRK, who is head of the North side's delegation to the talks, and delegates—General of the Korean People's Army [KPA] Kim Kwang-chin, Director of the Secretariat of the Committee for the Peaceful Reunification of the Fatherland [CPRF] An Pyong-su, Chief of the Councillors' Office of the Administration Council Paek Nam-chun, Vice-Minister of External Economic Affairs Kim Chong-u, roving Ambassador of the Foreign Ministry Choe U-chin and Maj. [Major] General of the KPA Kim Yong-chol.

The working people in Pyongyang warmly welcomed and greeted the delegation which returned after carrying out

its work in a responsible manner to accomplish the cause of national reunification at an early date in conformity with the desire of the entire nation.

The delegation was met at Pyongyang Railway Station by Vice-President of the DPRK Pak Song-chol, Vice-Chairman of the CPRF Yun Ki-pok, Chairman of the Pyongyang Municipal People's Committee Choe Mun-son and other officials concerned.

Kim Il-song Receives Delegates

SK0709130290 Pyongyang Domestic Service in Korean 1200 GMT 7 Sep 90

[Text] The great leader Comrade Kim Il-song has received our side's delegation, which had attended the North-South High-Level Talks.

Today, the great leader Comrade Kim Il-song received our side's delegation to the first North-South High-Level Talks, a delegation led by Yon Hyong-muk, premier of the DPRK Administration Council.

Present were Comrade Yun Ki-pok, secretary of the Workers Party of Korea Central Committee and chairman of the Supreme People's Assembly Reunification Policy Deliberation Committee, and relevant officials.

The great leader Comrade Kim Il-song received a report on the delegation's activities and gave an instruction that will become a programmatic guideline in successfully making progress in North-South dialogue for opening a new phase in the reunification of the fatherland, the nation's greatest earnest desire, at the earliest possible date.

The great leader Comrade Kim Il-song posed for a picture with the delegation.

Early Solution to Korean Question 'Urgent'

SK0609114890 Pyongyang KCNA in English 1059 GMT 6 Sep 90

[Text] Pyongyang September 6 (KCNA)—The Korean question is an urgent issue of the times which must be solved at an early date either from the national point of view of the Korean people or in view of world peace, declares NODONG SINMUN in a by-lined article today.

The article says:

To terminate the national division in Korea and achieve its reunification is a vital demand of the Korean nation which brooks no further delay.

Nothing is more precious and no task is more urgent and important to the Korean nation than to achieve the reunification of the country.

An early solution to the Korean question is urgently required also for world peace and security. The Korean question is not merely a matter of national or regional scale. It is a serious international issue directly linked to world peace and human civilization.

As the world recognizes, the Korean peninsula today is a most dangerous "nuclear hotbed" on the globe. No one knows when the U.S. imperialists who do not bother to conceal their scheme to use nuclear arms on the Korean peninsula will pull the nuclear trigger. If things come to such a pass, a global thermonuclear war may easily be touched off and then the Korean nation will be the first to fall a victim to the holocaust.

If the danger of nuclear war is to be averted and the Korean people and mankind are to be safe from nuclear scourge, it is necessary, above all, to have the U.S. forces and nuclear weapons withdrawn from South Korea.

Now that there is no nuclear arms in the areas of our Republic and foreign troop pullout and dismantlement of military bases have become a trend worldwide, there is no reason why the United States should refuse to withdraw its forces and nuclear weapons from South Korea. If the U.S. forces and nuclear weapons are pulled out of South Korea, a most dangerous "nuclear hotbed" will disappear from the world and then it will be possible to solve the Korean question by peaceful means.

The world is following the U.S. action.

We will make all efforts, together with the world's peaceloving people, to get the U.S. forces and nuclear weapons withdrawn from South Korea and achieve peace and peaceful reunification of Korea.

Newspaper Denounces U.S. Middle East Actions

SK0709060490 Pyongyang KCNA in English 0517 GMT 7 Sep 90

[Text] Pyongyang September 7 (KCNA)—U.S. President Bush decided to deliver one billion dollars worth high-tech weapons to Israel under the pretext of the "Gulf crisis".

Commenting on this, a news analyst of NODONG SINMUN today says:

This is a very grave criminal act screwing up the situation in the Middle East to a higher pitch and increasing the potential danger of war in this region.

The news analyst further says:

It is entirely with the support and encouragement of the U.S. imperialists that the Israeli Zionists are running about like a headless chicken, crying for "upperhand in strength".

It is a hypocrisy that the United States is busying itself with "a gesture to meet the demands of this regional people", vociferating about "peaceful settlement" of the Middle East issues and "relaxation" of the situation in this region. The U.S. imperialists and the Israeli Zionists are to blame for the fact that the Middle East problem including the Palestinian question has not yet been solved.

The U.S. imperialists' scheme to supply more weapons to Israel is an unpardonable act to obstruct a peaceful settlement of the Gulf dispute and inflict greater sufferings and

misfortunes upon the people in this region. It is also a downright challenge to the peaceloving people of the world desirous of peace, stability and arms reduction.

The U.S. imperialists must stop encouraging the Zionists to war by delivering military equipment to them, the news analyst stresses.

Ministry Urges Phased U.S. Troop Withdrawal

SK0709102590 Pyongyang KCNA in English 1012 GMT 7 Sep 90

[Text] Pyongyang September 7 (KCNA)—The Foreign Ministry of the Democratic People's Republic of Korea in a statement issued today upon the lapse of 45 years since the U.S. occupation of South Korea urged the United States to set a timetable for the withdrawal of its nuclear weapons and troops from South Korea and begin phased troop pullout in keeping with the international trend toward disarmament, detente and troop pullout.

The statement points out that the Korean nation was divided into two with the U.S. forces' landing in South Korea and the Korean people have since suffered from the division of the territory and the nation.

Noting that the United States which set foot in South Korea on September 8, 1945 started a war of aggression against the DPRK with the aim of conquering the whole of Korea and, after the ceasefire, has stepped up preparations for another war and increased the tensions, strengthening its colonial rule over South Korea, the statement says:

The United States now talks glibly about "phased troop pullout," "transfer of operational command" and the like under pressure from the South Korean and other peoples of the world, but it is, in actuality, opting to increase the combat power of its forces present in South Korea.

The historical course of the nearly half a century of division proves that as long as the U.S. forces are left alone in South Korea it is impossible to achieve peaceful reunification of the country or to ease the military confrontation between the North and the South.

The U.S. forces' occupation of South Korea is obstructive, not helpful, to the preservation of peace in Korea and it is the main obstacle to the solution of the Korean question.

It is an irresistible trend of the times at present that foreign troops are withdrawn from others' territories and foreign military bases are dismantled, disputes are settled through political means and divided countries are reunified.

It is high time the United States renounced its anachronistic policy aimed at creating "two Koreas" and thus freezing the division of Korea and changed its Korea policy.

The claim that the United States keeps its forces in South Korea to cope with "threat from the North" will never go down with anyone.

Already more than once has the DPRK Government clarified its stand that it has no intention to "invade the South" and advanced the question of adopting a non-aggression declaration and a disarmament package for phased arms cuts to guarantee it.

The South Korean authorities must give up the anti-national, flunkeyist traitorous mode of thinking and work toward realizing genuine disarmament, detente and reunification of the country at the inter-Korean high-level talks.

The United States must stop obstructing North-South dialogue, set a timetable for the withdrawal of its nuclear weapons and forces from South Korea and begin phased troop pullout in keeping with the international trend toward disarmament, detente and troop pullout.

The DPRK Government, together with the world's peaceloving people, will continue to make every effort for the withdrawal of the U.S. forces and nuclear weapons from South Korea, for complete disarmament on the Korean peninsula and the independent and peaceful reunification of the country.

Daily Comments on U.S.-DPRK Antiwar Seminar

SK0609104690 Pyongyang KCNA in English 1012 GMT 6 Sep 90

[Text] Pyongyang September 6 (KCNA)—NODONG SINMUN today carries an editorial article in connection with the successful holding of the seminar of Korea-U.S. anti-war, anti-nuclear organisations and community activists on peace and reunification of the Korean peninsula here over September 3-4.

The seminar discussed all the questions arising in realising peace and reunification of Korea, reached a consensus on them and adopted a joint declaration of the participants in the seminar and letters to the U.S. president, members of U.S. both houses [of Congress] and to the UN secretary general.

The participants in the seminar were in unanimous in confirming that the root cause of the danger of division and war on the Korean peninsula is the foreign forces' policy of aggression and interference and expressed the hope that Korean and U.S. peace organisations and peaceloving peoples will jointly make strenuous efforts to eliminate this cause and realise peace in Korea and her peaceful reunification at an early date.

The Pyongyang seminar marked an important occasion in deepening understanding and trust between the Korean and U.S. peace organisations and peoples and strengthening and developing the movement for solidarity with the Korean people's struggle for peace and reunification of the country, the article stresses.

The United States and the South Korean authorities are to blame for the situation on the Korean peninsula, it says, adding:

The United States is stepping up the "two Koreas" plot behind the curtain of "dialogue" and the South Korean authorities are zealously following it.

The United States is strengthening its military occupation of South Korea, reinforcing its armed forces and stepping up war preparations there to keep tight hold on it as a colony and military base and use it as a stronghold for its anti-socialist global strategy.

If such situation as now continues on the Korean peninsula, no one knows when a war will break out and expand into a worldwide thermonuclear war.

Realising peace and reunification of Korea is a pressing task of the times directly linked to the life and death of the Korean nation, world peace and human civilization.

Therefore, the participants in the seminar unanimously and resolutely denounced the U.S. occupation of South Korea, "two Koreas" plot and new war provocation manoeuvres and strongly demanded that it get out of South Korea, taking along all the aggressive forces including nuclear weapons. And they urged the United States to respond to replacing the Armistice Agreement with a peace agreement.

The seminar expressed full support to the fair and realistic proposals and initiatives of our party and the government of our Republic for peace and reunification of Korea and demanded that the United States and the South Korean auohorities accede to DPRK's initiatives for peace and reunification of Korea.

It is entirely natural for the participants in the seminar to urge the United Nations to faithfully discharge its duty in the solution of the Korean question and take an effective step to get the U.S. troops withdrawn from South Korea in accordance with the resolution of the 30th session of the UN General Assembly.

We believe that U.S. peace organisations and peace-loving people and other progressive people of the world will in the future, too, vigorously conduct solidarity activities in support of the Korean people's cause of national reunification, the article notes.

Soviet Children Arrive for Medical Treatment

SK0609215190 Pyongyang KCNA in English 1522 GMT 6 Sep 90

[Text] Pyongyang September 6 (KCNA)—Children in Chernobyl, the Soviet Union, arrived here today by plane for medical treatment and recreation.

They were met at the airport by Minister of Public Health Yi Chong-yul and other officials concerned.

Japanese Delegations Continue DPRK Visits

JSP Group Tours Kaesong

SK0609110990 Pyongyang KCNA in English 1038 GMT 6 Sep 90

[Text] Panmunjom September 6 (KCNA)—The friendship visiting group of the Japan Socialist Party [JSP] headed by Masao Sakon, socialist member of the House of Representatives, marched through Kaesong Street on September 5.

Members of the group and working people in the city marched shoulder to shoulder with each other along the main street of the city, shouting "U.S. imperialists, get out of South Korea at once!", "National reunification" and "Korea is one".

After the parade, the head of the group said that they are determined to actively strive together with the Korean people for the independent and peaceful reunification of Korea.

The guests visited Panmunjom.

They went round the conference room of the armistice talks, the hall where the Armistice Agreement was signed and the conference room of the Military Armistice Commission.

At the end of the inspection, a member of the group Kaname Okada said that the world is following the question of Korea's reunification, adding: Korea's reunification must be realised in accordance with the proposal for founding the democratic confederal republic of Koryo proposed by President Kim Il-song.

Members of the visiting group saw the concrete wall built in the area south of the military demarcation line.

A member of the group Koichi Tomoi noted that he saw the concrete wall at first hand. If Korea is to be reunified, the concrete wall must be torn down before anything else and the U.S. troops must get out of South Korea at once, he stressed.

That day, the members of the group met with separated families in Kaesong and inspected the Koryo Museum.

Talks Held Between WPK, LDP

SK0609214790 Pyongyang KCNA in English 1518 GMT 6 Sep 90

[Text] Pyongyang September 6 (KCNA)—Delegations of the Workers' Party of Korea [WPK] and the Liberal-Democratic Party [LDP] of Japan held talks in Pyongyang on September 6.

Present on our side were Kim Yong-son, secretary of the WPK Central Committee, Kim Yang-kon, vice-director of a department of the WPK Central Committee, and other officials concerned.

Present on the opposite side were members of the delegation of the Liberal-Democratic Party headed by Hajime Ishii, acting chairman of the Foreign Affairs Research Council of the LDP and member of the House of Representatives.

The talks took place in a friendly atmosphere.

WPK, JSP, LDP Meet

SK0509221790 Pyongyang KCNA in English 1519 GMT 5 Sep 90

[Text] Pyongyang September 5 (KCNA)— A joint talks was held in Pyongyang on September 5 between the delegations of the Workers' Party of Korea and the Japan Socialist Party [JSP] and the Liberal-Democratic Party.

Present on our side were Kim Yong-sun, secretary of the WPK Central Committee, Kim Yang-kon, vice-director of a department of the WPK Central Committee, and other officials concerned.

Present on the opposite side were heads of the delegation Wataru Kubo, vice-chairman of the Central Executive Committee of the JSP and member of the House of Councillors, and Hajime Ishii, acting chairman of the Foreign Affairs Research Council of the DLP and member of the House of Representatives, and members of the delegation—members of the House of Representatives Satao Yamahana, deputy secretary general of the JSP, and Taneaki Tanami, director of the Information Department of the JSP, and Kazuo Aichi, director of the International Department of the DLP, and Masayoshi Takemura.

The talks took place in a friendly atmosphere.

WPK, JSP Hold Discussions

SK0609214990 Pyongyang KCNA in English 1520 GMT 6 Sep 90

[Text] Pyongyang September 6 (KCNA)—Talks were held here today between the delegations of the Workers' Party of Korea and the Japan Socialist Party.

Present at the talks on our side were secretary Kim Yong-son and Vice-Director of a department Kim Yang-kon of the WPK Central Committee and other officials concerned.

Present on the opposite side were the members of the JSP delegation led by Wataru Kubo, vice-chairman of the Central Executive Committee of the JSP and member of the House of Councillors.

The talks proceeded in a friendly atmosphere.

French Delegation Arrives for Pyongyang Visit

SK0609214190 Pyongyang KCNA in English 1512 GMT 6 Sep 90

[Text] Pyongyang September 6 (KCNA)—A delegation of French senators headed by Senator Rene Regnault arrived here today.

It was met at the airport by Yu Chong-hak, deputy to the Supreme People's Assembly [SPA].

The Standing Committee of the SPA gave a reception for the delegation at the Mansudae Assembly Hall in the evening.

Second International Film Festival in Pyongyang

SK0509220190 Pyongyang KCNA in English 1500 GMT 5 Sep 90

[Text] Pyongyang September 5 (KCNA)—The second Pyongyang film festival of non-aligned and other developing countries is going on, drawing full houses amid great expectation and interest of the world peaceloving people and moviemen.

The Pyongyang International Cinema House, a venue of the festival, situated at Yanggak Islet on the River Taedong flowing through the capital, and cinema houses in the city are crowded with moviegoers every day.

Makeshift festival towers, festival banners, posters, streamers, large picture boards and movie ad boards which decorate streets of the capital add to the festival atmosphere.

Sixteen competitive films and 20 odd information and retrospective films among those presented to the festival have been screened by September 5.

Included there were feature films "Little Bird of Happiness" (Iran), "Poison Tree" (Bangladesh), "Those Who Pay with Their Life" (Romania), "Suddenly One Day" (India), "Noesa Penida" (Indonesia), "Forgotten Story" (Mongolia), "Only You" (Czech and Slovak), "Flower-Strewn River" (Vietnam), "El Aragoz" (Egypt), "Stranger" (Afghanistan) and "Traces of Life" (Korea).

"India-Bhutan Friends Forever" (India), "El Hiyamiya" (Egypt), "Sketch" (Romania), "The Dream of Betarna Nitche" (Yugoslavia), "Aspect of Pyongyang" (Korea) and other documentary films were also shown.

The films present on vivid artistic canvases the unanimous aspiration and desire of the people of the non-aligned and other developing countries to live in happiness in an independent and peaceful world free from all manner of domination and subjugation, their proud features in building a new life and their traditional customs of life and ideological feelings.

They stirred up deep emotion among the spectators for their presentation of delicate and true feelings and skilled acting.

The festival continues.

Film Week Marks DRPK Founding Anniversary

SK0609214390 Pyongyang KCNA in English 1512 GMT 6 Sep 90

[Text] Pyongyang September 6 (KCNA)—A film week marking the 42nd anniversary of the founding of the Democratic People's Republic of Korea began today.

Films to be screened during the week in cinema houses and cultural halls all over the country are those showing the immortal feats of the great leader President Kim Il-song for the founding of the Republic and its development and prosperity, showing the superiority of the Korean socialist system, an embodiment of the chuche idea, and the political and moral traits of the Korean people struggling devotedly for the prosperity and development of the Republic, firmly rallied behind the party and the leader. They include documentary films "Wishes for Longevity" and "Flag of the Republic" and feature films "The Sun of the Nation", "A Country Seen by Me" and "The Vicissitudes of Life".

The film week will last till September 12.

South Korea

North-South Talks Conclude; Reaction Continues

Opposition Invited to North

SK0709020690 Seoul YONHAP in English 0105 GMT 7 Sep 90

[Text] Seoul, Sept. 7 (YONHAP)—North Korean Prime Minister Yon Hyong-muk Thursday reminded opposition leader Kim Tae-chung that he has a standing invitation to visit Pyongyang at any time and told Kim Yong-sam, the No. 2 man in the ruling party, he would also be welcome.

During a dinner hosted by National Assembly Speaker Pak Chun-kyu, Yon told Kim Tae-chung, the president of the Party for Peace and Democracy (PPD), "President Kim Il-song has sent best regards to you. I'm compelled to remind you that the president's invitation to you is still valid. Please don't fail to come to the North once. You will be most welcome."

Kim, often branded as sympathetic to communism by Korea's rulers over the last 20 years, was low-keyed in reaction.

"I will go when an opportunity comes," he said. "Send my best wishes to President Kim Il-song." Kim Yong-sam told Yon that he had already been invited to the North by Kim Il-song and he would go when circumstances permit. He was told he would be most welcome in the North.

During the dinner at Lotte World Hotel in southeastern Seoul, speaker Pak called for the immediate resumption of inter-Korean parliamentary talks and exchanges.

"It is apparent now that neither side can let the other submit. Instead of insisting on the settlement of a difficult agenda, both sides should wisely resolve small, easy things," he said in his dinner speech.

Yon said, "We have made the first step on the wide path to reunification, confirmed each other's position and have thus built the ground for the future. However, to our regrets, we have failed to produce any agreement."

The remark that the just-ended high-level talks had produced no agreement contradicted an announcement by spokesmen for the South and North. The spokesmen said the two sides had agreed to call on the Red Cross societies of each side to resume talks on reunions of separated families and to further discuss U.N. entry by the two sides. The South said it would put on hold its bid to seek a U.N. seat independently from the North.

At one point, Yon urged the withdrawal of U.S. forces and nuclear arms from the South.

"The confrontation between the North and South won't live permanently. The U.S. forces and nuclear arms may not stay here for good. These tragedies will not disappear by themselves, however. They will disappear only when our people realize that they are the masters of their own lives and unite their power," he said.

Differences in Coverage Seen

SK0709082390 Seoul YONHAP in English 0744 GMT 7 Sep 90

[Text] Seoul Sept. 7 (YONHAP)—The just-ended talks between the South and North Korean prime ministers exposed the distance between the two sides on the unification issue, and newspapers in South and North Korea have the evidence in print.

While South Korean newspapers covered their front pages and many inside pages with articles and photos on the historic talks this week, North Korean papers barely mentioned the event. During the three days that the talks topped the front pages of newspapers in the South, the top story in North Korean newspapers was Kim Il-song: On Wednesday it was "World Nations' Research and Discuss the Publications of Kim" and on Thursday it was "Kim Visits a Village in Northern Hamgyong Province."

North Korean newspapers were brought into the South through the truce village of Panmunjom during the talks, the first time that North Korean papers were directly brought in since December 1985 for the Red Cross talks.

Wednesday's NODONG SINMUN on page one and MINJU CHOSON on page two ran a fanciful KOREAN CENTRAL NEWS AGENCY story on the talks: "The

200-ri (80 kilometers) road from Munsan (near Panmunjom) to Seoul was packed with over 1 million South Korean people who came out to welcome our delegation as a mission for unification and brethren." The North Korean press were quite positive about the South Korean people, exaggerating the size of crowd, but explicitly chastised the South Korean media for their attitude toward the North.

The Tuesday editions of major South Korean newspapers "not only carried provocative articles slandering the North's social system but also published false reports speaking ill of North side delegation members who had traveled to South Korea earlier," the Wednesday edition of NODONG SINMUN reported. "There is no doubt that crooked hands of black-hearted men who do not want the reunification of the country are moving behind (the reports)."

The North Korean Workers Party organ interpreted the heated competition among the South Korean media as a government plot to interfere with northern reporters. "The South side let loose hundreds of agents wearing 'press' arm bands and made them cause disturbances to keep our reporters from freely covering scenes," it said.

In dealing with the key-note speeches of South and North Korean prime ministers in the first plenary session of the talks on Wednesday, North Korean newspapers exhibited a serious imbalance in space-sharing in sharp contrast with their southern counterparts, which gave equal space to both speeches.

The Thursday edition of NODONG SINMUN and MINJU CHOSON reprinted northern Prime Minister Yon Hyong-muk's speech in full, but only referred briefly to the speech of his southern counterpart, Kang Yong-hun.

North Korean papers seemed to intentionally avoid photos of Seoul streets or articles on the everyday lives of citizens, but offered detailed reports on anti-government forces in the South.

North Korea's broadcast media shared the attitude of the print media. Pyongyang radio on Thursday called South Korean President No Tae-u "the southern president," according to North Korea watchers based in Seoul.

An Delivers Farewell Statement

SK0709073090 Seoul YONHAP in English 0508 GMT 7 Sep 90

[Text] Seoul, Sept. 7 (YONHAP)—The prime ministers of South and North Korea bid farewell to each other at entrance to the hotel Inter-Continental Friday morning, laying their friendship aside until they meet in Pyongyang next month.

While waiting for North Korean Prime Minister Yon Hyong-muk in the hotel lobby, South Korean Prime Minister Kang Yong-hun told reporters he was satisfied with the result of the just-ended talks. He said he could not foretell if the Pyongyang talks would be held as planned, but would make every effort to ensure they were. Asked if the two sides produced more agreements than announced, Kang flatly said "no."

Yon came down to the lobby later than scheduled after a press conference for North Korean reporters and spokesman An Pyong-su read a statement to the press. In the statement, An said it was improper for the South Korean Government to turn down his delegation's request to meet with the families of people who are in prison for visiting Pyongyang.

"The act surely exposes problems not only from the standpoint of fatherland unification but also from humanitarianism. We had to ask the southern government to deliver presents, which the visitors had received from the northern brethren during their stay in Pyongyang, to them. The southern side will give photos related to the delivery to us later," he said in a tense tone. The original text of the statement did not refer to gifts, but a few lines were scribbled on it before An read it.

An seemed to struggle hard not to specify the subject as South Korea in lines criticizing the South. In talking about the dismissal of his delegation's request, he said, "this simple request of ours was rejected."

Delegates Return to North

SK0709021290 Seoul YONHAP in English 0158 GMT 7 Sep 90

[Text] Seoul, Sept. 7 (OANA-YONHAP)—The North Korean delegates to the high-level inter-Korean talks left Seoul on Friday morning to return home via the truce village of Panmunjom.

South Korean Prime Minister Kang Yong-hun saw the seven delegates, led by Prime Minister Yon Hyong-muk, off at hotel Inter-Continental. The delegates, journalists and entourage were to cross back into the North before noon. South Korean Unification Minister Hong Song-chol and other representatives accompanied their northern counterparts on the drive to the truce village.

The second inter-Korean premiers' talks will be held on Oct 16-19 in Pyongyang.

TV Covers North's Departure

SK0709015390

[Editorial Report] Seoul Television Service in Korean at 0000 GMT on 7 September begins recorded coverage of the North Korean delegation's departure from the Inter-Continental Hotel. The anchorman says that because of an agreement between North and South authorities, live coverage of the North delegation's departure and its ensuing activity, including the trip to Panmunjom, will not be carried.

At 0040 GMT the station shows footage of Prime Minister Kang escorting North Korean Premier Yon to a

car, Yon shaking hands with Kang, posing for photographs, and waving to onlookers and hotel employees. The recording continues to show a long shot of cars ready for departure, Yon waving from inside a moving car, cars leaving the hotel, and reporters in buses waving to onlookers on streets.

At 0045 GMT film footage shows An Pyong-su, spokesman for the North Korean delegation, making a departure speech; he thanks Prime Minister Kang for his warm hospitality. Summing up the talks, An says substantial progress has been made, and that unreserved talks with the South delegation and South Korean politicians will help future talks.

At 0054 GMT film footage shows an aerial view of the motorcade on the highway and onlookers on the street waiting for it to pass by. At 0110 GMT it shows the motorcade passing through streets in Seoul. At 0130 GMT the anchorman says the station will stop airing live coverage of the North delegation's departure.

YONHAP Comments on Talks

SK0709032390 Seoul YONHAP in English 0258 GMT 7 Sep 90

[Text] Seoul, Sept. 7 (OANA-YONHAP)—North Korean Prime Minister Yon Hyong-muk left for Pyongyang Friday morning after a historic four-day visit to Seoul for unprecedented talks with the prime minister of South Korea on improving ties between the two halves of the Korean peninsula.

Despite dissent over most issues in the comprehensive agenda on "Matters of Resolving Political and Military Confrontation and Promoting Exchange and Cooperation," the two rounds of plenary sessions yielded agreements to continue dialogue to narrow differences over major initiatives.

The two agreements, very precious as inter-Korean talks have hardly been prolific due to political and ideological confrontation since national division in 1945, are on holding separate talks—one to discuss admission to the United Nations and the other on reuniting dispersed families.

In a departure statement at the hotel Inter-Continental, where they stayed and the talks were held, North Korean spokesman An Pyong-su said the talks were "a step forward" because "the two sides had discussions of substance amid sincere atmosphere while recognizing the importance of the high-level talks even though there was little progress in discussions on the agreed agenda."

An, secretary-general of the Committee for Peaceful Unification of the Fatherland, said: "We will continue, while deeply recognizing a lofty mission and duty before the Korean people and the times, sincere efforts to make the high-level talks a historic turning point for practically contributing to reducing acrimonious political and military confrontation and realizing national reconciliation and unity."

An regretted that there were no agreements, except on U.N. entry, on the three pressing issues the North had hoped to resolve and on the three principles of unification—self-reliance, peace and unification—contained in the July 4, 1972, South-North joint communique that the North had wanted to confirm in the talks.

The pressing issues, virtually conditions for discussion on other topics, include suspension of the "Team Spirit" South Korea-U.S. military exercise and release of those arrested for visiting the North, including the Rev. [Reverend] Mun Ik-hwan and radical student Yim Su-kyong.

An hinted the North would place top priority on the three issues when the premiers meet again in Pyongyang on Oct. 16-19, saying they were "very serious issues that are closely linked with the destiny of the forthcoming talks."

In the statement, an used South Korean Prime Minister Kang Yong-hun's title for the first time since arriving in Seoul Tuesday, which was interpreted here as symbolizing the North's official recognition of the South Korean Government.

The northern prime minister paid a courtesy call on President No Tae-u Thursday evening and was asked to convey to North Korean leader Kim Il-song No's hope for a summit as early as possible to discuss inter-Korean matters for unification of the two Koreas, which fought a fratricidal war during 1950-1953 and have since remained adversaries along the heavily fortified military demarcation line.

Yon, heading a seven-member delegation and accompanied by 83 officials and journalists, exchanged farewell remarks with Kang in front of the Inter-Continental Hotel before driving in a motorcade 50 kilometer north to Panmunjom, where he crossed the military demarcation line into the North.

"You have done a good job during your stay, good-bye" Kang said.

"Thank you for your warm hospitality, so long," Yon replied.

The six other South Korean delegates accompanied the North Korean delegates to the border village in the Demilitarized Zone and one southern delegate, Yim Tong-won, director of the Foreign Ministry's Foreign Affairs and National Security Institute, and a liaison official crossed the border into Panmungak, a North Korean building in the truce village, to see them off.

Yon was the highest North Korean official to visit the South for official talks on unification of the peninsula and the first North Korean prime minister to officially or unofficially meet a South Korean president.

In the 20-minute meeting with Yon Thursday evening before receiving North Korean delegates, No reiterated his call for the need to hold an inter-Korean summit to

discuss unification. Yon conveyed Kim Il-song's good wishes to No and No reciprocated, a presidential spokesman said.

No also reportedly asked Yon to delivered his important proposal of unification to the North Korean leader, but details were unavailable.

Despite lack of any outstanding agreement on broad issues, South Korean spokesman Hong Song-chol, who is also national unification minister, spoke highly of the sincerity shown by the two governments and the inherent importance of the meeting.

The South backed down from its plan to seek unilateral entry into the United Nations by agreeing to discuss the North Korean proposal for sharing a single seat in the world body. The North reciprocated with a concession on the reunion of dispersed families, the most ardent aspiration of the approximately 10 million members of separated families on both sides of the Korean border.

In his keynote speech in the first plenary session of the Seoul talks, Kang called on the North to sign a draft eight-point agreement on comprehensively improving inter-Korean relations and unifying the peninsula.

The draft agreement was apparently formed by lumping together the 10-point plan for exchange and cooperation, an eight-point plan for building political and military confidence and a five-point arms control proposals.

The North Korean prime minister countered with two proposals—one on resolving political confrontation and the other on resolving military confrontation. He also stated that three pressing issues should be agreed in the Seoul talks, while asserting that institutional and physical barriers hindering efforts to lower confrontation and tension be removed.

He meant by the barriers the National Security Law, which bans contact with and travel to North Korea, and a concrete wall in the Demilitarized Zone dividing the peninsula that the South says does not exist.

The two sides shared roughly eight items in common in their respective proposals, made in the keynote speeches, leaving the possibility of reaching agreements in Pyongyang.

The eight items the two sides shared were on a declaration of non-aggression, renunciation of mutual slander, making the Demilitarized Zone a peace zone, establishing a hotline between military authorities on both sides, setting up a joint military committee, implementing joint ventures and economic exchanges, reopening transportation, communications and mail links, and realizing personnel exchanges.

But the two sides showed deep difference on concrete ways to realize them as well as on the method of arms control, on which the North placed priority.

North Korean Soldier Defects to South by Boat

SK0709095990 Seoul Domestic Service in Korean 0900 GMT 7 Sep 90

[Text] A sergeant of the North Korean Army escaped in a rubber boat and defected to a guardpost of a ROK security unit. At around 1430 this afternoon, Sgt. [Sergeant] Yi Tok-nam, 24, belonging to the Coast Patrol Unit of the North Korean Army, which was on diving training on the coast of Changsangot off Paengnyong Island in the West Sea, escaped in a rubber boat avoiding the surveillance network and defected to a Marine Corps guardpost on Paengnyong Island.

The North Korean sergeant, who is being investigated at an Army unit as to how and why he defected, said that he had longed to come to South Korea for some time and escaped taking advantage of the moment when the surveillance network was lax.

Article Assesses North's Nuclear Development

SK3108070690 Seoul SINDONG-A in Korean Aug 90 pp 206-215

[Article by Song Yong-son: "North Korea's Nuclear Development, the Real Intent"]

[Text] We see a steady stream of press reports on the possibility that North Korea is developing nuclear weapons. Some of our largest newspapers have reported recently that Pyongyang can develop nuclear weapons within six months or a year.

Elsewhere, Washington and Moscow display a keen interest in North Korea's capability to develop nuclear weapons. Their interest originates in the fact that North Korea's nuclear development impacts directly on the policy of Northeast Asian tension reduction pursued by both the United States and the Soviet Union.

North Korea's possession of nuclear weapons is a crucial variable which directly influences the future status of U.S. forces stationed in Korea, the improvement of relations between the Republic of Korea and the Soviet Union, and even the improvement of relations between the United States and North Korea. Why is Pyongyang continuing to develop its nuclear capability despite the fiery scowls of international society? Does North Korea in fact have the capability to develop nuclear weapons? Is the North merely trying to convey the impression that it is developing a nuclear capability? If that is what Pyongyang is doing, why are they doing it?

For the purposes of this article, we will start with the issue that first raised suspicion, the fact that Pyongyang has not signed the Nuclear Safeguards Accord.

Despite domestic and foreign pressure, especially from the United States and the Soviet Union, North Korea has not signed the Nuclear Safeguards Accord of the IAEA, the International Atomic Energy Agency. The United States and Japan, allies of the Republic of Korea,

have strongly hinted that if North Korea will only conclude the accord, they will undertake to pursue momentous improvements in their relations with Pyongyang. Despite all the pressure, North Korea clings to its stubborn refusal to sign. In a recent conversation with Japanese Prime Minister Kaifu, who was attending a meeting of the G7 [Group of Seven] (the seven most developed Western states), President No Tae-u went so far as to request repeatedly that the Japanese leader do all in his power to nudge North Korea into signing the Nuclear Safeguards Accord. We will now examine the reason North Korea does not sign the Accord and the real reason Pyongyang consistently advocates that the Korean peninsula be declared a nuclear-free zone.

Pyongyang Continues To Refuse To Sign the Nuclear Safeguards Accord

The IAEA and the Nuclear Nonproliferation Treaty (NPT) originated in the early 1950s. In 1953, U.S. President Dwight D. Eisenhower began to advocate the peaceful use of atomic energy and attempted to prevent the spread of nuclear weapons. Despite his initiatives, two cases of nuclear proliferation occurred. Seizing the opportunity afforded by these cases, Eisenhower moved to bolster his policy and to create an organization dedicated to the secure use and possession of atomic energy. Headquartered in Vienna, Austria, the purpose of the IAEA is to promote the peaceful use of atomic energy and block its use for military purposes. The organization urges all countries who want to use atomic energy to sign the NPT. The IAEA prescribes that once they have signed the NPT they also conclude an agreement called the "Nuclear Safeguards Accord."

Presently, 113 countries are members of the IAEA. Our country joined in August 1957, and North Korea joined in September 1974. In addition, 138 countries have signed the NPT, including virtually all those belonging to the IAEA. Seoul signed the treaty in April 1975, and Pyongyang followed suit in December 1985.

Countries which sign the NPT are obligated to accept the IAEA's atomic safety measures. One treaty related to these security measures is the Nuclear Safeguards Accord, which must be signed after a country executes the NPT. I will use the term Nuclear Safeguards Accord throughout this article. The security provisions of the Nuclear Safeguards Accord apply to the atomic power activities of all countries which do not possess nuclear weapons and have signed the NPT, as well as to all states which have signed agreements with the IAEA. A majority of the nations which have signed the NPT have signed the accord also, including the Republic of Korea. The accord amounts to an essential adjunct to the NPT itself, and countries which sign the NPT are required to sign the accord within 18 months of subscribing to the NPT.

North Korea, however, signed the NPT in December 1985 but did not execute the Accord. Despite unremitting international pressure and condemnation, as of July 1990 North Korea had not signed the Nuclear Safeguards Accord. Pyongyang's failure to sign the Accord is the major reason for suspicions that the North Koreans do not agree with the basic purposes of the NPT even though they have signed the treaty. Their failure to sign raises suspicions that they may be actively promoting a program to produce nuclear weapons.

The North Koreans appear to calculate that whether or not they actually possess nuclear weapons, the suspicions and condemnation of other states in the region actually serve to boost Pyongyang's prestige, causing it to be seen as a potential nuclear state, and as a practical matter arrogates to the North a more viable deterrent capability vis a vis the Republic of Korea. If North Korea is developing nuclear weapons, meanwhile, not signing the Accord leaves them free from IAEA inspections and monitoring as they pursue their program. Pyongyang believes, then, that the criticism it receives for not signing the accord is more than offset by increased deterrence vis a vis the South and by the real gains it has enjoyed in its relationship with the Soviet Union and China.

North Korea maintained a consistent attitude on the matter at an IAEA directors conference held in Vienna, Austria in February 1990. Representatives of 16 of the 35 countries attending this meeting criticized North Korea for refusing to sign the Nuclear Safeguards Accord, but North Korean representative Yun Ho-chin responded by placing the following conditions on Pyongyang's possible signing of the accord. Yun demanded that these conditions be physically written into the accord as part of its text before North Korea would consider signing. 1. South Korea must remove all nuclear weapons from its territory. 2. The combined South Korea- United States military exercise "Team Spirit" must cease. 3. North Korea reserves the right to regard the Nuclear Safeguards Accord as null and void, depending upon Pyongyang's evaluation of the attitudes of countries which possess nuclear weapons.

Despite the fact that North Korea has broken a number of IAEA deadlines to sign the accord, at the meeting, the IAEA once more extended North Korea's deadline to sign, this time until June 1990. Despite even that concession, North Korea had not accepted the accord as of July 1990. Pyongyang has promised, however, to sign the accord by September. Based on their track record to date, we must wait and see whether they actually sign by that time.

Even if Pyongyang does not conclude the Nuclear Safeguards Accord, the IAEA can undertake no legal sanctions against North Korea for breaking its pledge to sign. The Nuclear Safeguards Accord is not mandatory; it derives its efficacy from willing international cooperation. Pyongyang is only too aware of this fact, and the very strong possibility is that North Korea interprets accepting the accord less as an opportunity to enhance international cooperation than as a negotiating card to

be exploited in discussions about Korean Peninsular issues with China, the Soviet Union, and even with the United States.

Pyongyang's Scheme Behind Its Demands for a Denuclearized Peninsula

North Korea first raised the issue of the denuclearization of the Korean Peninsula in 1976, although not as an official government position. Their intent at that time was to focus attention on the issue of withdrawal of U.S. Forces from Korea by linking withdrawal with the broader anti-American struggle. Denuclearization as a propaganda ploy surfaced at that time, of course, because Pyongyang had signed the NPT the year before, 1975. Signing the NPT and surfacing denuclearization, in turn, were probably Pyongyang's response to a 1975 statement by South Korean President Pak Chong- hui. The United States Government was already sending signals that it might withdraw forces from Korea. Pak responded with, "If necessary, the Republic of Korea will develop nuclear weapons on our own. We have the capability to do so."

North Korea probably perceived President Pak's bombast with scepticism, but at the same time Pyongyang planners were afraid that South Korea would in fact develop a nuclear capability of its own. They may have wanted to create a theoretical basis from which North Korea could marshal international opinion and mount a strong campaign against any future move by Seoul to develop nuclear weapons.

Pyongyang's vague and general call for denuclearization of the peninsula continued as nothing more than cooperative support for the Japan Socialist Party's demands for denuclearization of Northeast Asia until the Soviet Union's "Vladivostok Statement" in the mid-1980's. It was not until 23 June 1986 that the North Korean Government officially proposed to South Korea that the Korean peninsula be denuclearized. Later, on 28 July 1986, Gorbachev said in his Vladivostok speech that, "North Korea's proposal for turning the Korean peninsula into a peace zone, free of nuclear weapons, contributes to the pursuit of peace on the Korean peninsula." Gorbachev's statement served to lend credibility to the North Korean initiative, and the notion of a nuclear free Korean peninsula began to gel from that time.

Encouraged by the statement of "support" from the Soviet Union, North Korea sponsored an "International Conference for Denuclearization and Peace on the Korean Peninsula," which was held in Pyongyang during 6-8 September 1986. North Korea continued its initiative, announcing concrete measures for denuclearization through its Foreign Ministry in July 1987. Then in 1988, the tone of North Korean denuclearization demands changed. Pyongyang dropped the usual hackneyed, uncompromising propaganda terms opposing nuclear weapons and adopted a relaxed tone that continues to characterize their arguments even today. Since 1988, they have said, "North and South Korea must adopt phased measures to remove nuclear weapons from the Korean peninsula and withdraw foreign forces as well."

Ironically enough, observers in the South failed to detect in this change what may have been a hint in Pyongyang's proposals suggesting the possibility that North Korea possessed nuclear weapons. Until 1988, the North Koreans had called for removal of nuclear weapons from the Korean peninsula only south of the 38th Parallel. Now they said "North and South." We cannot rule out the possibility that the North Koreans made this change because of the advantages they see in the U.S. Forces Korea policy neither to confirm nor deny the possession of nuclear weapons. Indeed, it is a separate issue whether U.S. forces actually do or do not possess nuclear weapons. Refusing to confirm or deny the existence of the weapons visits a form of psychological deterrence on Pyongyang. North Korea may have decided to take a page from the same book, changing their formulation so as to create doubt about the existence of nuclear weapons in the North and gaining thereby an increased psychological deterrence over the South.

North Korea's call for denuclearization of the Korean peninsula was largely a propaganda ploy up through the end of the 1970's. Its purpose was to curry favor with the Nonaligned Movement and actually went beyond the Korean peninsula to focus on the denuclearization of Northeast Asia and indeed of the entire world. The North Koreans simply stole a free ride on the world anti-nuclear movement in a move calculated to broaden North Korea's international support. Their policy was largely for show. By contrast, in the 1980's the North Korean policy of peninsular denuclearization has been developed with dedicated, calculated planning.

As arms reductions talks between the United States and the Soviets progressed and as Gorbachev's idea for an Asian security structure began to take concrete form in his speech at Vladivostok, North Korea saw an opportunity to kill two birds with one stone. Pyongyang seized the moment to make its call for denuclearization explicit. This allowed the North to steal a ride on international public opinion favoring regional denuclearization, providing Pyongyang the opportunity to play the role of a peace-loving state, improving its tattered image, while at the same time the initiative allowed the North to usurp the role of peacemaker on the Korean peninsula, establishing a foundation from which to label U.S. Forces Korea to be the obstructionist element in the equation.

The North Korean position has been to claim that U.S. Forces Korea possesses nuclear weapons and that the way to obviate both the threat of nuclear war on the peninsula and to guarantee peace and security on the peninsula was to remove U.S. forces and their nuclear weapons from Korea. By the same token, North Korea's goals were to create and maintain the impression that the threat of nuclear war on the peninsula and the responsibility for increased tension there lay with the Republic of Korea and the United States of America. This allowed

Pyongyang to heighten anti-South Korean and anti-American sentiment internationally as well as boost anti-Americanism within South Korea.

Circumstantial evidence appearing in many channels suggests that North Korea is itself pursuing the development of nuclear weapons. This tends, of course, to give the lie to their embrace of regional denuclearization, and Pyongyang's espousal of regional denuclearization now appears to be nothing more than calculated propaganda.

The Nucleus Is the Nuclear Reactor at Yongbyon

To analyze North Korea's capability to develop nuclear weapons, we must look at three broad areas of concern: first, physical items necessary for nuclear development; second, North Korea's domestic and international orientation; and third, the intent of the North Korean leadership to develop nuclear weapons.

In addressing the physical items required for nuclear development, we must review carefully the characteristics of North Korean nuclear reactors, whether for research or for the generation of electricity; Pyongyang's enrichment technology; their reprocessing technology and related facilities; personnel resources; and their economic capacity. In addressing their domestic and international orientation, we must review North Korea's advantages militarily and in its international relations. Finally, in addressing the intent of the North Korean leadership to develop nuclear weapons, we must understand that this variable provides the most direct and positive insight into the question of whether North Korea actually is pursuing nuclear weapons development.

The nuclear field can be broadly partitioned between atomic energy and nuclear bombs. In certain forms of matter like uranium or plutonium, atoms may be bombarded by neutrons in such a way as to divide the atoms of the original substance. As atoms of the original material break up, neutrons are jarred out of their atomic orbit. As neutrons spin out of the original atoms, they split other atoms, which then lose neutrons which smash still more atoms, and so on in a nuclear chain reaction called fission. As the process of fission occurs, enormous amounts of nuclear energy are released spontaneously and the mass explodes instantaneously. This is a simplified depiction of a nuclear bomb.

Only about three to 10 percent of the low-enriched uranium fuel used to generate electricity is actually consumed in the process, whereas nuclear weapons consume more than 90 percent of the highly-concentrated uranium or plutonium used in weapons. The problem associated with the proliferation of nuclear weapons is that a country with sufficient technology and will can exploit the atomic fuel that remains intact after power generation to make nuclear bombs. The North Koreans may have precisely the technology and the will to pursue a nuclear weapons development program that can emerge as an extreme threat to the security of the Korean peninsula. We will first examine the nuclear fuel reprocessing technology and facilities necessary for North Korea to produce either the plutonium or sufficiently enriched uranium requisite to the development of nuclear weapons.

A nuclear reactor is a device designed to split atoms of enriched uranium to release energy. There are three types of reactors: research reactors; military reactors, which produce plutonium; and industrial reactors, which generate electricity. Relying on all available data, North Korea seems to have installed reactors at four different sites. Reactor One, Reactor Two, and Reactor Three are located at Yongbyon, and the fourth reactor is at Sinpo in North Hamgyong Province. We can rule out the Sinpo reactor as a possible factor in Pyongyang's capability to produce nuclear weapons because the Sinpo plant is used to generate electric power. There is some doubt as to whether Reactor Three at Yongbyon is operational. The original schedule called for completion by the end of 1990.

Of the remaining two reactors, Yongbyon's Reactor One was completed in 1965 with Soviet technical support, while Reactor Two at Yongbyon is essentially a copy of the French G-1 model built with North Korean technology and completed in late 1986. The reactor was used by the French in the early 1960's for the development of nuclear weapons before being removed from that program and devoted strictly to the production of plutonium.

It is believed, however, that North Korea uses Reactor Two, which began operating in the spring of 1987, as the heart of its nuclear weapons development program. Located at Yongbyon some 100 kilometers north of Pyongyang, Reactor Two has a maximum rated capacity of 20 megawatts. Thus, the reactor can produce six to eight kilograms of plutonium yearly. At this rate, Reactor Two would need two years to produce the plutonium needed to manufacture a 20-kiloton class nuclear weapon. A 20-kiloton class device has roughly the same explosive power as the weapon that was dropped on Nagasaki in 1945. In point of fact, however, North Korea readily could make a much bigger bomb. Although a higher degree of technical sophistication is required to produce a 100-kiloton class nuclear warhead, the 100-kiloton device requires only a few dozen kilograms of plutonium. American satellite photography reveals a structure estimated to be a nuclear reprocessing facility located near Reactor Two at Yongbyon.

North Korea Unlikely To Produce Nuclear Weapons Within Six Months

Reactor Three was begun in 1985 and is scheduled for completion by the end of 1990. Reactor Three also was built by the North Koreans, working without aid from either the Soviet Union or East Europe. Because Reactor Three has significantly more plutonium production capacity than Reactor Two, if Reactor Three is used for weapons manufacture when it comes on line, then

Reactor Three will present an absolute order of threat to the security of the Republic of Korea. Two crucial points need to be kept in mind. Both Reactor Two and Reactor Three were built with North Korean technology, and both can use as fuel the natural uranium produced in North Korea.

This means that the North Koreans will be able to manage the nuclear fuel cycle completely on their own. The nuclear fuel cycle starts with mining natural uranium ore. The ore is run through refining and enriching processes to produce nuclear fuel. Once the fuel has been depleted as part of a nuclear reaction in a reactor, it can be discarded or it can be stored and reprocessed. This cycle in North Korea is not susceptible to inspection or intervention by either the IAEA or the Soviet Union. The control of the cycle exercised by the North Koreans provides an environment in which nuclear weapons can be developed in complete secrecy.

Once fuel has been depleted in a reactor, a separate facility is necessary to extract plutonium from the spent fuel. Although the media have asserted since June 1989 that such a facility has been observed in North Korea, in point of fact we cannot say with certainty that this is true. Thus, recent reports that North Korea is capable of producing nuclear weapons within six months can be true only if North Korea has completed construction of reprocessing facilities, and these facilities are completely operational. The American nuclear experts who visited Korea in June 1989 said that North Korea had constructed a nuclear fuse test site near Yongbyon. The American statement was reflected in domestic press reports at the time that North Korea was testing nuclear fuses. This evidence is sufficient to suggest that North Korea is doing basic testing related to nuclear weapons design.

Nonetheless, there is no reason to assume that the North Koreans can produce nuclear weapons within six months just because they possess a nuclear fuse testing site. Before we believe that North Korea can produce nuclear weapons within six months, we must have much more corroborating data. Were Pyongyang to produce nuclear weapons that fast, it would require an emergency national effort to reduce appreciably the absolute amounts of time required to produce nuclear weapons. In other words, the weapons production process is composed of phases or stages which cannot easily be skipped. The first phase is going from the idea to produce weapons to basic design; from basic design to basic testing; from basic testing to acquisition of weapons-grade, fissionable material; from material acquisition to actual nuclear weapons design; from design to producing a model weapon; and from model weapons to actual production of nuclear weapons.

For the recent assertions that North Korea can produce nuclear weapons within six months to be correct, we would have to see evidence that Pyongyang was far enough along in the course of nuclear weapons development to have successfully produced and tested a model weapon.

Not only do we have no such evidence, in fact we have no way of knowing even whether North Korea has obtained weapons-grade, fissionable materials in sufficient quantities to produce nuclear weapons. Moreover, we do not know with certainty, as foreign experts assert, that Pyongyang can shortly bring reprocessing facilities on line. Although a number of sources suggest that North Korea is doing initial, nuclear-related testing, no certain evidence exists to suggest that the North has completed the sophisticated nuclear testing that requires accuracy levels reaching one million to one. Based on present information, then, it is difficult to assert that it is possible for North Korea to develop nuclear weapons now or within six months' time.

3000 North Koreans Engaged in Nuclear Development

Next we shall examine the issue from the viewpoints of economics and human resources. It is known that North Korea presently has a total of 3000 scientists and others working on nuclear development, of whom about 150 possess doctoral degrees. This investment of human resources is sufficient for the task of developing nuclear weapons. North Korea also sends 30 persons each year for training at the Soviet Union's Dvuna [name as published] Institute. Moreover, North Korea sustains a tremendous educational commitment to the nuclear field, operating departments related to nuclear matters at Kim Il-song University and other key educational institutions.

North Korean uranium reserves exceed several million tons, and although the purity of the uranium is quite low, it can be used for nuclear fuel. Sources say that the North Koreans have built at Hwangsan in North Pyongan Province all the necessary facilities for refining, converting, and processing the uranium. Sources also say they are building a nuclear fuel reprocessing plant as well. The mining and refining facilities and the fuel processing facilities are already in place to allow the North to pursue successfully an assumed goal of building ten nuclear bombs, each in the 20-kiloton class and assuming plutonium to be the fissionable material of choice.

Economically, 203 million dollars is estimated to be sufficient for reprocessing, design and manufacture, and testing and evaluation—but excluding the cost of reactors. This sum is not a heavy burden, and amounts to only one-half of one percent of Pyongyang's estimated military budget from 1987 to 1995.

North Korea's domestic and international orientation on the issue of nuclear weapons development amounts to an analysis of their military and foreign relations advantages. From the military standpoint, North Korea seems to have calculated that their independent development of nuclear weapons will result in a local balance of nuclear terror on the Korean peninsula even if U.S.

forces in Korea possesses nuclear weapons. Pyongyang thus believes that when U.S. forces leave Korea their own possession of nuclear weapons will put them in an absolutely superior military position vis-a-vis South Korea.

North Korea is pushing the development of nuclear weapons on the assumption that eventually they will be the only power on the peninsula with nuclear weapons and will be positioned to use nuclear blackmail to gain an advantageous bargaining position vis-a-vis South Korea. Experts now predict that the expansion of the South Korean military will result in Seoul catching up with the North and achieving a military balance by the mid-1990's. Faced with this eventuality, the most attractive response available to the North Koreans is the development of nuclear weapons. North Korean planners believe that developing nuclear weapons will provide them a means to offset their looming loss of military superiority relative to South Korea. Their loss of superiority will be forced upon them by the ineluctable results of the superior South Korean economy and by the unavoidable aging of their own conventional military establishment.

Seen in the international context, Pyongyang's development of nuclear weapons, even if these prove to be of relatively inconsequential size, will result in a significant jump in North Korea's international prestige, if only because the world remains in awe of the terrible destructive force of the bomb. Northern planners see developing nuclear weapons as a dramatic short cut to ethereal levels of international prestige. Pyongyang's possession of nuclear weapons will cause both the Soviet Union and China to give North Korea much more respect, the respect and prestige due to a member of the nuclear club. Moreover, Pyongyang will be able to exploit its possession of nuclear weapons as a lever to pry military assistance from both Moscow and Beijing.

Other international advantages to developing nuclear weapons will include increased clout in bargaining for the withdrawal of U.S. forces from Korea. Pyongyang will be able to play its nuclear card. Even if South Korea also develops nuclear weapons, North Korea probably will believe that their development of nuclear weapons was a positive move, one which allowed a "local balance of nuclear terror" to develop and which will lead ultimately to peace on the peninsula.

Finally, North Korea is likely to maintain a nuclear arms development program because the compensation to Pyongyang for decreasing its military dependence on Moscow amid a rapidly-changing international arena, however painful the process, will be the option to reduce reliance on the Soviet Union, opening the door to increased independence of action.

North Korean Leadership's Intentions a Major Variable

Finally, let us examine North Korea's nuclear development from the standpoint of its leaders' intentions. Some analysts support the simple argument that North Korea would not have signed the NPT or joined the IAEA had it really intended to begin a nuclear arms development program. This argument is nothing more than an expression of doubt about North Korea's intent to develop nuclear weapons. Such an argument amounts to holding that a North Korea which criticizes U.S. forces in Korea for possessing nuclear weapons and which so strongly advocates the denuclearization of the Korean peninsula simply could not adopt the self-contradictory attitude necessary to develop nuclear weapons on her own. Other analysts believe that economic realities and the level of technical development in North Korea relegate possible development of nuclear weapons by Pyongyang to the remote future.

Others argue that North Korea is not inhibited from producing nuclear arms by either economic considerations or by deficient technical expertise, but rather is inhibited by the fact that any potential gains in international prestige would be more than offset by damage to North Korea's relations with its surrounding states and with the superpowers. These observers argue that this is sufficient reason to prevent North Korea from developing nuclear weapons.

Similarly, certain observers believe North Korea's need to build nuclear weapons is offset by problems the regime will face in the process. That is, even if we assume that Pyongyang would not find it difficult to develop nuclear weapons with existing economic and technical wherewithal, the North would encounter a daunting array of problems should it undertake such a project. North Korea's independent development of nuclear weapons in the midst of a mood of world neo-detente would only make matters worse for Pyongyang. An already isolated North Korea would become even more isolated. A nuclear weapons program would cause Pyongyang more loss than gain in regard to maintaining and improving relations with its existing allies, even if such a program did not elicit the hard-eyed interest of the superpowers.

Above all, these voices say, should North Korea arm itself with nuclear weapons at a time when a strong neo-detente current is coursing through the world community, the result could be even greater tension on the Korean peninsula. Choosing the nuclear path could well force South Korea to begin its own nuclear weapons development program or push Washington and Seoul closer militarily, to Pyongyang's own detriment.

Some observers believe that should North Korea develop nuclear weapons, Pyongyang would be giving the lie to its own efforts over the last 15 years on behalf of denuclearization of the Korean peninsula, of Northeast Asia, of Asia, and even the whole world.

However convincing some of these arguments may be to us, Kim Il-song lives in a different factual environment, in his own world, as any number of historical examples reveal. International public opinion has no great impact on Kim Il-song. In view of this fact, then, whatever the

international political situation may be at any given moment, the North Koreans are virtually certain to pursue nuclear weapons development with little regard for the opinions of the superpowers or for international society in general, provided only that Kim Il-song clings to his intentions.

Even if North Korea develops nuclear weapons, of course, it is quite another question as to whether Pyongyang would ever use them against its blood kin in the South. North Korea's basic national policy remains the communization of South Korea. Some argue, however, that Pyongyang is simply not about to use nuclear weapons to reduce Seoul to a garbage dump. The same people often use the same grounds to ridicule the idea that North Korea may have a nuclear weapons development program.

Many sources, however, have made it clear a very considerable basis exists for arguing that North Korea is no paper tiger when it comes to developing nuclear weapons, weapons which it sees as key to establishing itself as the future supreme military power on the Korean peninsula and as key to applying a valid threat to South Korea.

Estimates vary from six months from now to five years from now for the time when Pyongyang will actually produce nuclear weapons. When U.S. forces withdraw from Korea, our response to Pyongyang's possible production of nuclear weapons will be the possible establishment of a local balance of nuclear terror on the Korean peninsula by undertaking our own program to develop nuclear weapons. Until then, North Korea's development of nuclear weapons presents us with a significant threat to our security, and in a larger sense it acts to shake the very foundations of peace on the Korean peninsula.

Of course, an absolute amount of time is required to develop nuclear weapons: time to obtain nuclear material, to enrich and reprocess it, to design nuclear weapons, test them, produce them, develop transport means for them, and deploy them. We must not forget that North Korea's unique political system and its isolation from international society may well serve to solidify Pyongyang's intention to produce nuclear weapons. These same factors also may act to spur the North to a maximal effort to decrease the time required to produce nuclear weapons. Should that happen, then Pyongyang could produce nuclear weapons anytime from six months from now to two years from now.

Seminar Participants Differ on Military Cutbacks

SK0609012290 Seoul YONHAP in English 0054 GMT 6 Sep 90

[Text] Vladivostok, Sept. 6 (YONHAP)—South and North Korean speakers at an international seminar had opposite views Wednesday on how to pursue a military cutback on the Korean peninsula.

O Chang-min, vice director of the North Korean Foreign Ministry's Institute for Peaceful Arms Reduction, reiterated a North Korean proposal that the two sides decrease to less than 100,000 troops gradually in three stages. O also repeated calls for making the Demilitarized Zone into a peace zone, complete denuclearization of the Korean peninsula, installation of a South-North joint armed forces committee, and an immediate halt to military exercises with foreign countries, apparently referring to the annual South Korea-U.S. "Team Spirit" maneuvers.

The seminar, titled "Asian-Pacific Region: Dialogue, Peace and Cooperation," opened Tuesday in this Soviet Far Eastern port.

South Korea's An Pyong-chun, a professor at Yonsei University in Seoul, countered that confidence building must precede a military scaleback. Peace is not achieved in a single breath but by going through proper procedures, An said, echoing the southern government's stance that firm confidence and trust in each other must precede actual military reduction.

The seminar ends its three-day run Thursday.

N-S 'Economic Bonding' Practical, Necessary

SK0709012090 Seoul THE KOREA HERALD in English 7 Sep 90 p 4

[Editorial: "A Start in Economic Bonding"]

[Text] Despite Pyongyang's preoccupation with the political and military aspects of the proposed improvement in inter-Korea relations, as indicated by the north Korean delegation at the current premiers' talks here, there exists a need for initiating bilateral economic cooperation between the two parts of the peninsula now, along with opening of the two zones to free communication and travel.

To begin with, such a start in economic bonding is as much practicable as necessary, far more so than the more controversial and weighty issues of reconciling political, ideological and military differences. It will best serve the mutual interests and will also clear the way for speedy rapprochement and eventual unification of Korea.

The policy of south Korea to go into the realistic, rudimentary and practicable matters first holds water. The north Koreans have few grounds to disagree with a sound proposal by Prime Minister Kang Yong-hun to implement all possible forms of economic cooperation, including joint development of resources and joint manufacturing ventures, and promote joint business enterprises overseas and other joint programs of external cooperation.

The Seoul government has shown interest in taking a bold step in that direction by promoting its participation in the trilateral trade being carried out among north Korea, the Soviet Union and China near their common border on the northeasternmost tip of the peninsula.

South Korea's entry into the economic triangle is supposed to accelerate direct trade between the south and the north of Korea.

Sizable budgetary appropriations are projected to finance the restoration of the Seoul-Shinuiju railroad line and a daily goods manufacturing plant at the junction as the staging ground for northern trade.

The Soviet Union, China and north Korea are currently working on constructing special economic districts in their respective border sections adjoining the Tumen River and creating a trilateral trade arrangement fashioned after multinational economic blocs in Europe and other parts of the world.

The two-way trade between south and north Korea is reportedly minimal (less than $30 million over the past three years) and conducted through intermediaries. Seoul's joining in the North-east Asian trading group would serve to break down the wall of economic estrangement.

A thaw in inter-Korean relations could come sooner if the two sides work together to facilitate basic exchanges and cooperation, beginning with trade and industry. This would serve to build a foundation for further cooperation.

Bush Asks for ROK Assistance to Gulf States

SK0709023390 Seoul Domestic Service in Korean 0200 GMT 7 Sep 90

[Text] Yi Su-chong, spokesman for Chongwadae, said today that U.S. President Bush's message was delivered to President No Tae-u through U.S. Ambassador to Korea Gregg. The message asked for Korea's help for sanctions against Iraq in connection with the situation in the Persian Gulf.

Accordingly, President No met this morning at Chongwadae with U.S. Secretary of Commerce Brady who came to Korea in the capacity of President Bush's special emissary and heard him explain the particulars of the U.S. demand for assistance.

In his message to President No Tae-u, U.S. President Bush expressed his conviction that the South-North High-Level Talks will serve as a major step toward opening the peaceful reunification on the Korean peninsula and then thanked Korea for having participated in sanctions against Iraq, which was imposed according to the resolution of the UN Security Council.

Stressing that such a measure is indispensable for global peace and for economic interest of many countries in the world, President Bush explained that the United States shoulders $2 to $2.5 billion per month in this region. After stressing the urgency of assistance to Arab countries that suffer from the situation in the Persian Gulf and to countries that are hit by economic troubles, President Bush asked President No Tae-u to discuss Korea's assistance with U.S. Secretary of Commerce Brady.

Shevardnadze's Remarks in Vladivostok Reported

SK0509121590 Seoul TONG-A ILBO in Korean 5 Sep 90 p 5

[Report by correspondent Yi Chae-o on conversation between Soviet Foreign Minister Shevardnadze and ROK delegation in Vladivostok on 4 September]

[Text] Following his speech at an international symposium on the "Asian-Pacific region" held in Vladivostok on the morning of 4 September, Soviet Foreign Minister Shevardnadze conversed with diplomatic emissaries from various countries for about an hour in a separate room. Head of the ROK Consular Department in the USSR Kong No-myong and Democratic Liberal Party lawmaker Pak Chol-on were there.

Foreign Minister Shevardnadze conversed for about 30 minutes with Kong and Pak on the South-North prime ministerial talks and his visit to Pyongyang.

[ROK delegation] With whom did you meet in Pyongyang and what did you discuss?

[Shevardnadze] I did not meet with Kim Il-song, and it was mainly with Foreign Minister Kim Yong-nam that I discussed such things as the Korean peninsula question and progress being made in improving relations between the Soviet Union and South Korea.

[ROK delegation] How do you view the outcome of your talks with him?

[Shevardnadze] They were very difficult talks, but they were also very useful. We made public the outcome of the talks in the form of a joint communique with North Korea. Generally, communiques are full of mutually ear-pleasing words, are they not? During my visit to Pyongyang, I have realized that there is a great possibility of the North and South reaching an agreement on the North's proposal and President No Tae-u's proposal as they have many things in common. In particular, the prime ministerial talks are very important and we hope that relations between the South and North will become better, while paying attention to the legal ties with North Korea. (Kireyev, chief of Socialist Countries of Asia Administration of the Soviet Foreign Ministry, who was present during the conversation, said North Korea had expressed its understanding about the developing relations between the ROK and USSR.)

[ROK delegation] You again mentioned "barriers" in your speech today. What do you mean by that?

[Shevardnadze] I meant to say that it would be better if the ROK removes the barriers. Let's not argue about this issue any more.

[ROK delegation] Didn't the North Korean side strongly object to the progress in ROK-USSR relations?

[Shevardnadze] There was no strong objection.

[ROK delegation] Instead of waiting until 1993, how about holding talks between the foreign ministers of the ROK and USSR during the upcoming fall UN session?

[Shevardnadze] I will have talks with Foreign Minister Choe Ho-chung this fall in New York. Give him my best regards.

Kapitsa: Moscow To Accelerate Arms Reduction

SK0309080890 Seoul YONHAP in English 0745 GMT 3 Sep 90

[Text] Seoul, Sept. 3 (OANA-YONHAP)—Mikhail Kapitsa, a former Soviet vice foreign minister, proposed the establishment of a standing consultative body by seven Asian and Pacific nations on Monday to achieve reconciliation and cooperation in the region.

Kapitsa, director of the Soviet Academy of Sciences' Institute of Oriental Studies, made the proposal during an international seminar, titled "Yalta System and After: Stability and Change in Northeast Asia."

In a keynote speech, Kapitsa said regional reconciliation and cooperation could best be won by forming a permanent consultative body made up of South and North Korea, the Soviet Union, the United States, Japan and Mongolia to discuss issues such as confidence building, arms reduction, economic cooperation and environmental problems.

Twelve political experts from South Korea, the United States, the Soviet Union, Japan, China and East Germany are attending the two-day seminar, sponsored by the Korea Institute of International Studies and the Korean Society of Soviet and East European Studies.

The former diplomat said the problem of the Korean peninsula should be approached gradually and differently from Germany.

Kapitsa said Moscow will accelerate its arms reduction efforts to ease tension in Northeast Asia, including the removal of 200,000 troops, 16 warships and 436 missiles from the region. Touching on Soviet-Japanese relations, Kapitsa said political contacts and resources development projects are under way between the two nations in accordance with about 60 accords, and that the visit of Soviet leaders to Japan in 1991 will open a new chapter in bilateral relations.

Researcher Stresses Need for Soviet Technology

SK0609054290 Seoul YONHAP in English 0513 GMT 6 Sep 90

[Text] Seoul, Sept. 6 (YONHAP)—South Korea needs basic scientific and highly sophisticated industrial technologies from the Soviet Union to ensure continued economic growth and revive its exports, Chi Tae-hong, a senior researcher at the Korea Academy of Industrial Technology, said Wednesday.

Korea needs the technologies to develop high value-added products, he told a monthly briefing on Korea-Soviet relations, adding that continued growth was impossible if Korea depended on foreign capital and production technology. Representatives of 65 companies doing business with the Soviet Union attended the briefing, sponsored by the International Private Economic Council of Korea (IPECK).

Chi said Korea should make an all-out effort to use the results of research into basic scientific technologies to make new products and to secure technologies for commercialization in order to promote the localization of parts and equipment. Korea should introduce Soviet technologies and apply them to industrial production, he said.

To promote technology introduction from the Soviet Union, Chi said, conclusion of an industrial technology cooperation pact with the Soviet Union is urgently needed. He suggested establishment and operation of a technology cooperation center jointly funded by the governments and businesses of the two countries.

Government, Business Leaders To Visit USSR

SK0609054090 Seoul YONHAP in English 0517 GMT 6 Sep 90

[Text] Seoul, Sept. 6 (YONHAP)—A South Korean electronics and communications mission, comprising government officials and businessmen, will visit the Soviet Union Sunday for 10 days, a Trade and Industry Ministry official said Thursday.

The 18-member mission is led by Ku Cha-hak, chairman of Goldstar Electronics Co., and will tour Soviet electronic factories to study ways to promote bilateral cooperation in the field. There are 12 businessmen on the team from eight electronic companies, including Goldstar, and six government officials, including Chong Hae-chu, director-general of the ministry's Electronics Industry and Electric Appliance Industry Bureau.

Korea will focus on plant exports to the Soviet Union in the future instead of home appliances, and the ministry will seek to exchange sophisticated and basic technologies with the Soviet Union, the official said.

Outlook for USSR Trade Said 'Brightening'

SK0709020090 Seoul YONHAP in English 0134 GMT 7 Sep 90

[Text] Seoul, Sept. 7 (YONHAP)—The Soviet Union has cleared more than half of its unsettled accounts with South Korea in recent months, brightening the outlook for this year's business dealings with that country, industry sources said Friday.

Some 42 million U.S. dollars were owed to eight major South Korean trading firms, but the amount had dwindled to 20 million dollars by end of August, they said. Samsung Trading Co. officials, who claim the biggest share of Soviet trade, said they received 10 million dollars.

There was concern that Korean zeal to enter the virtually untapped Soviet market would be hurt by the Soviet's inability to make payments for deliveries on time. Industry sources said there were signs of sagging exports earlier, but shipments of mostly home appliances and consumer articles began rising again early this month. They also predicted the 1.2 billion-dollar mark set for this year's bilateral trade will be easily met, if not surpassed. The goal is an immense jump from just two years ago, when trade stopped at 112 million dollars.

Trade for the first half of the year topped the 200 million dollars for the whole of 1989 at 201 million dollars, which is a 773.9 percent jump from the same period last year, according to the sources.

Asiana Airlines Launches Charter Flight to China

SK0509015690 Seoul THE KOREA HERALD in English 5 Sep 90 p 3

[Text] Asiana Airlines launched a charter flight to the Chinese city of Tianjin yesterday to transport Korean tourists who will watch the Beijing Asian Games.

Asiana's Boeing 737-400 jetliner carrying 150 tourists left Seoul at 9 a.m. and arrived at Tianjin at 10:55 a.m. the same day after flying 1,896 km over the Yellow Sea, a spokesman said.

During the Asian Games, he said, the nation's second airline will make 20 charter flights to Beijing and 30 flights to Tianjin, carrying 4,250 Korean athletes and tourists. Currently, neither Korean Air nor Asiana is allowed regular flights to China.

Korean Center To Assist Drug Testing at Asiad

SK0609081890 Seoul YONHAP in English 0734 GMT 6 Sep 90

[Text] Seoul, Sept. 6 (OANA-YONHAP)—The doping control center of the Korea Institute of Science and Technology (KIST), which exposed Canadian sprinter Ben Johnson during the Seoul Olympiad, will provide support for the Beijing Asian Games.

At the request of the Beijing Asian Games Organizing Committee (BAGOC), Drs. Pak Chong-se and No Tong-sok will provide advice and suggestions on the technology and skills of detecting drug use by athletes from Sept. 15 to 28, KIST officials said.

Since 1986, a year after the Chinese doping control center was established in preparation for the Beijing Asiad, two to three Chinese researchers have visited Korea every year for three weeks of training, the officials said. China's center was officially recognized by the International Olympic Committee in October 1989 and the Korean center in 1987.

"The Beijing doping control center is furnished with similar equipment to Seoul's, but is in need of assistance because it lacks technology and experience," they said. The two nations will promote technological cooperation in doping control even after the Asiad, and a technology transfer agreement between the two centers is to be signed as soon as approval of the two governments is given.

Under the agreement, the centers will cooperate in such areas as dope analysis technology, preventive education, relations between Chinese medicine and doping test and scientific research into China's natural medicine resources and medical knowledge.

"China's abundant natural medicine resources and knowledge of medicine materials will contribute to developing new medicines, illuminating the character of biologically active materials and researching pharmacology," No said.

ROC Minister on Trade With North, South Korea

SK0109025890 Seoul YONHAP in English 0231 GMT 1 Sep 90

[Text] Seoul, Sept. 1 (YONHAP)—Taiwan has agreed to open its market to South Korean cigarettes and increase imports of Korean cars by 30 percent to 6,760 cars this year from 5,200 cars last year.

Taiwan also agreed to slash tariffs on Korean ginseng from 10 percent to 5 percent and those on audio cassette tapes from 30 percent to 15 percent, while Korea agreed to liberalize imports of two Chinese liquors—kaoliangjiu and wujiapijiu—from Jan. 1, 1991.

In talks between Korean Finance Minister Chong Yong-eui and Taiwanese Economic Minister Vincent Siew, it was also agreed to strengthen bilateral cooperation in economics and technology by holding joint seminars and symposiums in such fields as electronics, communications technology and oceanology. Siew told a news conference that Taiwan has no plan to engage in direct trade with Pyongyang in the near future.

"The Republic of China does not plan to make direct trade with North Korea for the time being although it will continue to pursue the principles of free trade," Siew said.

Taiwan will give Korean construction firms more opportunities to participate in public construction works, he said. Siew, leading a 21-member delegation, arrived in Seoul on Wednesday for the 23rd Korean-Chinese economic ministerial conference, which ended on Friday. He returned home on Saturday.

PPD Spurns DLP Plan for More Assembly Seats

SK0109024890 Seoul THE KOREA TIMES in English 1 Sep 90 p 2

[By staff reporter Kim Song-pok]

[Text] The Party for Peace and Democracy [PPD] will not take up the ruling party's offer to increase the number of lawmakers for the next House now but, maybe, later.

The major opposition party has frowned upon the motive behind the "double-edged" overture, regarding it as a "bait" to lure the PPD back into the National Assembly, which the PPD quit about a month ago to protest against the blitzkrieg passage of 26 controversial bills through the Assembly.

"We will never nibble at the bait," Rep. [Representative] Kim Yong-pae said yesterday in an interview with The Korea Times. The PPD floor leader went on, "The idea of a bigger House is also aimed at appeasing those who were dropped from the Assembly as local chapter heads. It has nothing to do with efforts to tide over the political and economic crises facing the nation."

His allegation: The Democratic Liberal Party [DLP] which was born through the merger of three parties has about 150 heads of electoral districts who were dropped. It schemes to bring back 40 of them by increasing the number of constituencies, another 20 by naming them chiefs of local administrative units, and another 10 by providing them with House seats earmarked in the proportional representative system.

"This is not the time to discuss the increase in the number of House seats. Instead, the oil crisis, soaring prices and the faltering stock market should be tackled first," the three-term lawmaker said.

Although Kim showed a negative reaction to the DLP's proposal, saying it is the wrong time to discuss the matter, he appeared to regard the spirit of the idea as a horse of a different color.

He said, "It's reasonable to readjust the electoral districts in proportion to the population." Asked what steps the DLP should take to help the PPD save face in returning to the House, Kim put forth tough demands: the dissolution of the current House, a snap parliamentary election coinciding with elections to form local councils and the correction of the 26 laws rammed through the House by the ruling party. But he added that his party is willing to resume dialogue with the DLP if the ruling camp creates a favorable atmosphere for inter-party negotiations by issuing an apology for its high-handed manner in operating the Assembly and dismisses the persons "responsible" for the railroading of the bills. Asked whether the PPD will field a candidate for the by-election in the Hampyong-Yonggwang district, Kim said, "The party position has yet to be formulated."

"But my private opinion is that we should take part in the election because our resignation from the House does not mean our giving up politics. I see no problem if our candidate wins the election, then resigns," he added.

Speaker Tries To Return Opposition Resignations

SK0709072790 Seoul YONHAP in English 0626 GMT 7 Sep 90

[Text] Seoul, Sept. 7 (YONHAP)—National Assembly Speaker Pak Chun-kyu tried to return the resignations of all 79 South Korean opposition lawmakers Friday, but party leaders Kim Tae-chung and Yi Ki-taek refused to accept them.

The resignations were submitted in July to protest the unilateral passage of 27 bills by the ruling party. Kim and Yi refused to take back the resignations, saying their demands for general elections and a declaration by the ruling party that it had given up the idea of constitutional change had not been met.

"Opposition assemblymen, at least the 70 from the Party for Peace and Democracy (PPD), will be able to return to the Assembly sooner or later, after negotiations to break the political stalemate," a ruling Democratic Liberal Party (DLP) official said.

Pak appealed in letters to each lawmaker for them to return to the Assembly to deal with national issues that have piled up since they quit. Pak personally called on PPD leader Kim to return his resignation but was rebuffed. Kim said he could not return until his demands were properly satisfied, and anyway his party had not yet decided whether to take back the resignations.

PPD lawmakers are scheduled to meet on Monday to consider their position on the resignations. The Assembly speaker announced Friday that the National Assembly will be in session beginning Monday. The DLP will seek negotiations with the PPD to persuade it to come back to parliament.

Government's Attitude Toward GATT Deplored

SK0709013290 Seoul THE KOREA TIMES in English 7 Sep 90 p 6

[Editorial: "Steps for Uruguay Round"]

[Text] Farmers' unrest in connection with the import liberalization of agricultural products is mounting with the Uruguay Round [UR] negotiations on the trade of farm produce to be concluded by the end of this year, less than four months away.

Notably, the nation's agricultural and livestock cooperative federations have come up with the united demand that the government reject the multilateral negotiations of the Uruguay Round itself. Then last month future farming and fishery leaders at their nationwide convention, fervently denounced what they called the lukewarm government policy to cope with the Uruguay Round,

hooting down Minister of Agriculture, Forestry and Fisheries Kang Po-song, a guest speaker at the event.

The National Agricultural Cooperatives Federation maintains in particular that as a representative of farmers in the country it can under no circumstances countenance the free import of the five staple foodgrains—rice, barley, beans, corn and red pepper. Farmers and their organizations feel uneasy with the global impact of the outcome of the UR negotiations which will ban government protectionist policies for domestic farming industries, along with the decontrol of imports of agricultural products.

The UR negotiations started in September, 1986 in a worldwide effort to seek a negotiated settlement of trade friction with regard to farm produce and services, in line with the multinational system of the General Agreement on Tariffs and Trade (GATT). The settlement of the multilateral negotiations has been long anticipated to deal a bitter blow to our farming and the economy as a whole.

However, the nation whose economy depends a high 70 percent on foreign trade has to participate in and respect the multilateral negotiations, which would be more advantageous to our nation than bilateral negotiations with each trading partner.

With most of the differences between the United States and the European Community (EC), two leading groups of the negotiations, having been hammered out, the UR negotiation is likely to be concluded within the year. Then, willingly or unwillingly, our nation will be required to respect the outcome of the negotiations eventually to open our domestic market for farm products internationally.

Notwithstanding, the government is to blame for its easygoing attitude in coping with the UR over the past four years. Indeed deplorably, the government appears to be so flustered recently and belatedly that it is at a loss what to do in the wake of the Persian Gulf crisis, though the advent of an era of higher crude oil prices had been anticipated long before.

Our government is urged to make utmost efforts to extend the grace period as long as possible for continuing partial import restrictions in a serious effort to reduce the severe blow to the local farming industry. During the period of delay, essential farming restructuring projects must be accelerated so as to strengthen the nation's agricultural competitiveness. To this end, the farming industry ought to be shifted into a capital- and technology-intensive one, along with the provision of subsidies to farmers who will leave farms to engage in other jobs.

More efforts are needed to promote exports of more farm products which are viable in terms of international competitiveness. Among the more than 50 exportable agricultural products from Korea are pork, chickens, mink, highly valuable vegetables, apples, persimmons, citrons, ginseng, leaf tobacco, mushrooms as well as herbs and flowers from among other special products.

Drastic measures are in order to streamline the distributional system for farm products so as to reduce the wide price gap between areas of producers and end-users. Also to be stressed are effective steps to raise farmers' off-farm incomes, and the expansion of social overhead capital and welfare facilities in rural communities with a farsighted view to fundamental and long-term development of the farming industry. Now let's turn the misfortune from the UR negotiations into a blessing for local farmers in the long run.

Burma

NLD's U Kyi Maung, Chit Khaing Detained

BK0709065690 Rangoon Domestic Service in Burmese 0630 GMT 7 Sep 90

[Text] On the evening of 6 September authorities concerned detained for security reasons U Kyi Maung, member of the Central Executive Committee of the National League for Democracy [NLD], and Chit Khaing, secretary of the NLD, for passing state evidence they should have kept to themselves to unconcerned persons and four persons from Mandalay for writing incorrect news to create disturbances in Mandalay. The four persons are: U Ohn Kyaing, member of the NLD Central Executive Committee from Mandalay, U Thein Dan, member of NLD organization committee for Mandalay Division, U Ye Myint Aung, NLD organization officer for Mandalay Northeast Township, and U Sein Hla Aung, member of NLD organization committee for Mandalay Northeast Township in connection with disturbances in Mandalay on 8 August 1990. Arrangements are being made to take legal action against them.

Saw Maung Explains 'Events' to Journalists

BK0709073590 Rangoon Domestic Service in Burmese 0630 GMT 7 Sep 90

[Text] Senior General Saw Maung, chairman of the State Law and Order Restoration Council [SLORC], held a news conference with local and foreign journalists at 1000 this morning in the hall of the Ministry of Defense and explained events about which should be informed.

Sr Gen Saw Maung explained that the SLORC is working according to Declaration No. 1/90 and that it has no attachment to any person, party, or ideology; it is only working for peace and tranquility in the country. He said measures are being taken according to historical and legal precedents and that members of the Defense Forces have to follow the 1959 Burma Defense Services Act as well as common law. He said, likewise, the people have to be abide by all existing laws, and service personnel also have their rules and regulations to follow. Members of the Sangha [Buddhist order] have to observe religious rules. He said the state constitution is of paramount importance for the entire country.

He said the main responsibility of the Defense Services is to crush all enemies. He went on: I myself am responsible for the country as whole. A head of state must take steps which have to be taken. He must avoid the two extremes of being very severe or very lenient. He said there are also unwritten rules—tradition, culture, and racial dignity—that the people should follow. In religions such as Buddhism, Christianity, and Islam there are rules that call on the people of the respective faiths to abide by the laws of the country and to respect and obey the government. At present, steps are being taken to check and restrain political events that must not occur. Necessary measures have been prescribed for organizations concerned.

He added that in the present Independence Era, a provisional constitution and an interim government are not needed and there is no need to make demands through confrontational methods. He said we have no intention of gaining power and have no political party standing behind us.

He said he did not wish to go into details about the news broadcast by the BBC and VOA last night. Anyone who reads and studies the election law will clearly understand. He said he is taking every step carefully, with serious consideration. I am neither an atheist nor a politician.

He said the economic situation at present is good and there are good prospects in petroleum exploration work.

Terms Said Set for Democracy Leader's Release

BK0609023490 Bangkok THE NATION in English 6 Sep 90 p A3

[By Yindi Loetcharoenchok]

[Text] Opposition leader Aung San Suu Kyi could be released if she decides to leave for Britain or takes up writing, Burmese junta leader Gen [General] Saw Maung was quoted as having told a leading Japanese politician last week. He was also reported as describing the National League for Democracy [NLD] leader's house arrest as being "generous and moderate". The message was conveyed during a two-hour meeting between Michio Watanabe, a Lower House member of the Japanese Parliament, and the Burmese military regime led by Saw Maung which is known officially as the State Law and Order Restoration Council (SLORC).

This is the first official statement made about conditions for Aung San Suu Kyi's freedom, who has been under house arrest since July 20, 1989 on charges of attempting to "destroy the military and revive anarchy in the country." At that time the junta announced that her one-year detention period could be reduced or extended to three years according to the "law to protect the state from dangers of disruptive and destructive elements." But the detention was extended indefinitely after the general elections.

Saw Maung, who led a group of armed forces generals in a bloody coup in September 1988 to crush a nationwide pro-democracy uprising, told Watanabe that he held no "personal ill feelings" against Aung San Suu Kyi, who is the daughter of national independence hero Aung San, according to the Japanese Embassy's first secretary H. Inomata. Saw Maung told Watanabe that Aung San Suu Kyi's "case should be settled by the law itself, but since she is the daughter of Aung San, I myself have no ill feelings against her and also because of the fear of facing

trouble with (Burma's) friendly countries, I took quite a generous and moderate measure," against her.

"Aung San Suu Kyi has talent in literature, so if she would like to engage herself in activities like that or if she returns to the United Kingdom, I am prepared to release her," said Saw Muang.

The regime's conditions for Aung San Suu Kyi's freedom have been long predicted, but Burma watchers and western diplomats believe that she has repeatedly rejected such proposals and has decided to face whatever consequences in order to politically challenge the military junta.

Watanabe, 67, of the Japanese ruling Liberal Democratic Party, made a three-day visit to Burma last week as part of an Asian tour which also included China, Indonesia, Thailand and Vietnam. Watanabe, a former Japanese minister for finance, trade and industry, is a prominent candidate for the post of Japan's prime minister in the future.

Suu Kyi, whose party won over 80 percent of 485 seats in the May general elections, is considered the most vocal critic of the Saw Maung regime. Despite the official election results, the junta has refused to transfer power to or hold talks with the legitimate representatives, on the contrary it has put up a series of preconditions for giving up power.

Inomata told THE NATION in a briefing on Watanabe's visit that Saw Maung informed his Japanese guest that he has a plan in mind as to when to open a dialogue with leaders of the political parties which won seats in the elections, but did not specify exactly when this would take place. The regime turned down NLD's repeated requests for talks because the party "is not united and is composed of several fronts," Saw Maung was quoted as telling his Japanese guest.

Asked about convening parliament, Saw Maung said he could not say specifically, but when the time came there will be a parliamentary session, adding there were still other procedures such as the scrutiny of allegations of polls misdeeds and the drafting of the constitution before parliament could sit. The junta leader was quoted as saying that "the time was not yet ripe for him to hand over power and if he did then the armed forces might have to make a comeback, because of the (country's) instability."

Japan, which joined the West in condemning the junta's seizure of power in 1988, extended diplomatic recognition to the SLORC in February last year and has since resumed funding some 10 aid projects in Burma which were granted prior to the Saw Maung's regime seizing power. But no new Japanese financial assistance has been given since then. Japan is Burma's largest source of foreign aid.

NLD Issues Declaration on Convening Parliament

BK0509130990 Delhi External Service in Burmese 1130 GMT 5 Sep 90

[From the "Current Myanmar Affairs" program: "Excerpts" of "Gandhi Declaration" issued by the National League for Democracy on 29 July 1990]

[Text] Members of Parliament belonging to the National League for Democracy [NLD] held a meeting at the Gandhi Hall on Bo Aung Gyaw Street, Kyauktada Township, Rangoon, on 28 and 29 July 1990 and discussed the question of the transfer of power to the government of the people. Following the meeting, the renowned Gandhi Declaration was issued on 29 July 1990.

The declaration says: The NLD won 392 seats out of the 485 seats at stake in the 27 May multiparty general elections, the first such elections in 30 years. Since the NLD has already won a majority with more than 80 percent of the seats at stake, it has the capability to lead the People's Assembly as well as form a strong government in accordance with the practices of all democratic nations.

However, although more than 60 days have already passed since the holding of the general elections, the Parliament has yet to be convened. This being the case, the NLD representatives call on the State Law and Order Restoration Council [SLORC] to convene the Parliament in September in harmony with the wishes of the people and in accordance with the stipulations of the People's Assembly Election Law.

The declaration says: Although the NLD, which won the elections by a landslide, has already proposed open talks with the SLORC, the latter has not responded to the gesture. Monks, peasants, workers, students, youths, and all other people throughout the nation, who wish to be free from their present economic difficulties as well as from their anxieties that have arisen because of restrictions being imposed on democratic rights, are ardent in their wish for a quick change to a democratic rule. Only a Parliament that is formed with the representatives who have won the trust of the people can, in accordance with the wishes of the people, resolve the political, economic, and social difficulties that plague the people today. This being the case, the convening of the People's Assembly is an inevitable duty. The NLD also understands that the People's Assembly is not a constituent assembly simply to frame a constitution.

The declaration goes on to say: The NLD has already prepared a draft constitution, and its representatives support the idea of discussion of the 1990 interim constitution with the other parties. We are of the opinion that the transfer of power can be brought about in accordance with the law under that interim constitution.

Only a People's Assembly that is participated in by the NLD has the responsibility to pass a new constitution that can realize the goals of a new democratic union. A constitution that is drafted outside the People's Assembly and without the powers, rights, and approval

of a People's Assembly, cannot be a constitution that comes with administrative powers. Hence, it becomes evident that the convening of the parliament is of utmost importance in order to draft a new constitution that aims at building a new democratic union in accordance with the wishes of the people.

The declaration also says: It is essential to bring the fundamentals of democracy out into the open before a democratic government can be formed. Although the NLD has won enough seats, by a landslide, to form a government, it has been deprived of even the most minimal of democratic rights. The situation, which is entirely contrary to the nature of politics, is indeed shameful both in the eyes of the people and the world.

Today negotiations have helped the world avoid a war that has the potential to wipe out the entire human race. Likewise, we believe that in Myanmar [Burma] also we will be able to resolve all the problems through direct talks that are based on mutual respect, sincerity, frankness, friendship, and peace. Hence, the NLD representatives unanimously call on the SLORC to convene the Parliament in September 1990 in accordance with the wishes of the people.

Brunei, Malaysia & Singapore

Malaysia

Reportage on Response to Gulf Crisis Continues

Food Supplies to Jordan Planned

BK0609105090 Kuala Lumpur International Service in English 0800 GMT 6 Sep 90

[Text] The Malaysian Government will donate U.S.$100,000 worth of food supply to Jordan in response to its appeal to foreign governments to send basic food items to feed the massive influx of refugees fleeing Iraq and Kuwait.

Foreign Minister Datuk Abu Hassan Omar said this was decided at the weekly cabinet meeting yesterday. The cabinet agreed that Wisma Putera [Foreign Ministry] will work out details of the food assistance such as the [words indistinct] and whether the food will be purchased locally or abroad by a Malaysian mission. Datuk Abu Hassan is expected to announce the details tomorrow. The government's decision was also to express Malaysia's gratitude to the Jordanian Government for its cooperation in helping Malaysians evacuated from Iraq and Kuwait to return home. Malaysia's contribution is believed to be among the first to Jordan by a developing country.

Mahathir on Oil Production

BK0609080290 Kuala Lumpur International Service in English 0600 GMT 6 Sep 90

[Excerpt] Datuk Sri Dr. Mahathir said the country's oil production will be further increased as more countries have requested Malaysia to supply them with the commodity. However, the government has not decided on the volume of increase as it has to study the actual demand. He was speaking to newsmen after opening the Malaysian Tourist Information Complex (MATIC) in Jalan Ampang, Kuala Lumpur.

The prime minister stressed that Malaysia does not want to see the price of petroleum going up too high. This is because such rise will affect those countries without oil including many developing countries. In a recession caused by such increase it does not benefit any party.

On the strategy carried out by the government regarding the impact caused by the increase in petroleum prices, Datuk Sri Dr. Mahathir said the report is expected to be ready by next week. [passage omitted]

Thai Official on Oil Purchase

BK0709132790 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 7 Sep 90

[Text] Thailand will increase its crude oil import from Malaysia. Thailand imported 1.2 million metric tons of crude oil from Malaysia last year.

Thai Foreign Minister Dr. Subin Pinkhyan called on his Malaysian counterpart Datuk Abu Hassan Omar in Kuala Lumpur today. He said that the decision to buy more crude oil is not only because Malaysia is Thailand's neighbor but also due to the Gulf crisis. He also said Thailand would continue to buy cement from Malaysia.

During the meeting with Datuk Abu Hassan Omar, Dr. Subin also discussed bilateral relations and cooperation. He expressed the hope that the cooperation between the two countries will continue to be maintained and further promoted. This is his first visit to Malaysia after his appointment as a foreign minister. He is accompanied by two Thai Foreign Ministry officials.

Official Defends UN Sanctions

BK0709070990 Kuala Lumpur International Service in English 0600 GMT 7 Sep 90

[Text] Malaysia's support for the United Nations economic sanctions against Iraq is based on its policy against the use of force in the Gulf issue and not to penalize that country. Deputy Foreign Minister Datuk Dr. Abdullah Fadzil Che Wan said as such Malaysia has called on Iraq and Kuwait to hold discussions to settle the crisis amicably. He said the Gulf crisis, which resulted from Iraq's invasion and annexation of Kuwait, would not end so long as disunity among the Arab countries themselves remained. He was speaking at a forum on the Gulf crisis in Penang.

Cambodia

Hun Sen Leaves Phnom Penh for Jakarta 7 Sep

BK0709052290 Phnom Penh Domestic Service in Cambodian 0430 GMT 7 Sep 90

[Text] At the invitation of Indonesian Foreign Minister Ali Alatas and [words indistinct], Comrade Hun Sen, member of the party Central Committee Political Bureau, chairman of the Council of Ministers, and foreign minister of the State of Cambodia, left Phnom Penh on the morning of 7 September for Jakarta, Indonesia, in order to hold discussions with Samdech Sihanouk.

Seeing off the comrade chairman of the Council of Ministers at Pochentong Airport were: [passage indistinct]; Comrade General Sin Song, member of the party Central Committee Political Bureau and interior minister; Comrade Kong Sam-ol, member of the party Central Committee and vice chairman of the Council of Ministers; Comrade Dit Munti, member of the party Central Committee and first deputy foreign minister; and many leaders of party, state, and mass organizations. Also on hand at the airport was Comrade Ngo Dien, ambassador extraordinary and plenipotentiary of the SRV to the State of Cambodia.

Not To Attend Without Sihanouk

BK0709063590 Phnom Penh SPK in French 0449 GMT 7 Sep 90

[First part of report on Hun Sen's statement to the local press before leaving for Jakarta on the morning of Friday 7 September]

[Text] Phnom Penh, 7 Sep (SPK)—Hun Sen prime minister and foreign minister of the State of Cambodia, left this morning for Jakarta to take part in an informal meeting of Cambodian parties organized by Indonesia and France within the framework of the Paris international conference.

He was seen off by Chea Sim, Tie Banh, and Kong Sam-ol, all vice chairmen of the Council of Ministers; Sin Song, interior minister; Dit Munti, first deputy foreign minister; and others.

Talking to the local press before his departure from Pochentong Airport, Hun Sen noted that this time around the Jakarta meeting has begun with fits and starts because of Prince Sihanouk's refusal to attend.

"After learning of this, I informed Indonesia, the host country, that I too would not attend and I nominated minister Hor Nam Hong as my representative to the meeting", Hun Sen said.

Concerning his demand that Sihanouk take part in this forum, Hun Sen stressed: "The usual political practice of the tripartite coalition that Sihanouk often told me is that each of the three factions has the right to veto all the issues decided by the president (of the CGDK) [Coalition Government of Democratic Kampuchea], by the vice president, or by the prime minister. This is the reason why successive meetings for more than two years achieved no positive results. I have signed many documents many times with Prince Sihanouk; they have all been rejected by Vice President Khieu Samphan who said Sihanouk can represent neither Son Sann nor himself.

"Respecting my promise, I am going to Jakarta after hearing that Sihanouk is also going. However, it is not yet certain that Sihanouk will take part in the meeting because according to the latest report, Sihanouk is in Jakarta as guest of President Suharto.

"Although I am going to Jakarta, I decided not to attend the meeting as long as Sihanouk still boycotts this forum" said Hun Sen who specified: "I will be in Jakarta as coach, team captain, and player. I have to wait to see whether my counterpart, Prince Sihanouk, takes part in the competition or not because his son Ranariddh has no right to represent him. I demand Sihanouk's participation in the meeting together with his vice president and his prime minister in order to avoid all difficulties and further repudiation concerning the settlement of the Cambodian problem.

"In line with my promise to Indonesian Foreign Minister Ali Alatas, without the participation of Sihanouk—who is considered the father of the nation and key person of a political solution, and in comparison to elite football players, he can be considered as Pele, Platini, or Maradona—I too will not take part. The team that Hun Sen has already sent is worthy to be the opposing side of Son Sann, Khieu Samphan, and Ranariddh. And Sihanouk has to be responsible to the host country."

Concerning the objective of the Jakarta meeting, particularly the establishment of a provisional Cambodian government, Hun Sen stressed that this was the cause of failure of past negotiations due to the demand that the current government in Phnom Penh has to be dismantled and the demand for a quadripartite government. "I am going to Jakarta not to dissolve our present government and replace it with another provisional government but to discuss problems related to the organization of free and equitable general elections in Cambodia under international control."

Phnom Penh Criticizes 4 Sep Sihanouk Statement

BK0709031790 Phnom Penh Domestic Service in Cambodian 1300 GMT 6 Sep 90

[Station commentary: "Samdech Sihanouk Should Stop Serving as a Lawyer to Defend the Criminal Pol Pot"]

[Text] On Tuesday 4 September, in Beijing, Samdech Norodom Sihanouk issued a statement saying that the Cambodian national resistance forces will accept only a formula of four equal factions. He also stressed that Mr. Hun Sen [words indistinct]. This is the prince's all-out

effort to defend the traitorous, genocidal Pol Pot clique that the world public opinion is condemning and demanding its expulsion from process of resolving the Cambodian problem.

At the beginning of September, the human rights protection organization Amnesty International demanded that the criminals, including the Pol Pot-Khmer Rouge group, who are accused of manslaughter, should be tried. In mid-July, the United States and many other countries changed their policies regarding the Cambodian problem, voicing resolute opposition to the genocidal Pol Pot clique's return to power in Cambodia. This matter has greatly worried Samdech Sihanouk for fear that the Pol Pot clique will be removed from any process to resolve the Cambodian problem.

It is well known that for the past nearly 12 years, Samdech Sihanouk has shamelessly served as a lawyer who has been trying hard to defend the genocidal Pol Pot clique. One still remembers well that a few days after Pol Pot was toppled, Samdech Sihanouk went to New York and declared his support for Pol Pot who had killed over 3 million Cambodian people and even detained the prince himself for over three years. In 1982, Samdech Sihanouk willingly served as head of the Coalition Government of Democratic Kampuchea in order to preserve Pol Pot's seat at the United Nations. Moreover, during the past two years, Samdech Sihanouk has continued to protect the interests of the Pol Pot clique at all international forums seeking a solution to the Cambodian problem by demanding the exclusion of the word genocide from all documents and an equal power for the Pol Pot clique.

Samdech Sihanouk has always supported a four-party government formula which is a scheme of the Pol Pot-Khmer Rouge clique and tantamount to opening the way for this criminal clique to return to power and renew its massacre against the Cambodian people. This is why Samdech Sihanouk refused to be responsible for the Tokyo joint communique that he himself signed with Comrade Chairman Hun Sen although the document said that the door is not closed for the Pol Pot clique to join.

We ask the prince: What are your grounds for demanding the implementation of a formula of four equal parties?

It is generally known that the State of Cambodia controls nearly 100 percent of the territory and population, while the Cambodian national government, which includes the Pol Pot-Khmer Rouge clique, does not control any important land. This fact was recognized by Australian Foreign Minister Gareth Evans during his 7 August meeting in Bangkok with Thai Prime Minister Chatchai Chunhawan. On the basis of this fact alone, the government of the State of Cambodia should get at least two-thirds of the power in the solution. Based on international principles, one can see that the government of the State of Cambodia, which has its capital, territory, population, and full structure, is the legitimate government and has the right to occupy the Cambodian seat at the United Nations.

However, in order to reach national reconciliation and for the sake of national independence and peace, the State of Cambodia is willing to accept a formula of two equal parties with the other Cambodian side. Moreover, the State of Cambodia has even called for Cambodia's UN seat to be left vacant or to be handed over to the supreme national council established in line with the Tokyo formula. This is a big concession made by the State of Cambodia which has been recognized by Mr. Kraisak Chunhawan, the son and adviser of the Thai prime minister. Therefore, the samdech's demand for the implementation of a four-party formula is an unjust and unrealistic act which runs counter to the genuine interests of the Cambodian people. This activity is clearly in defense of the Pol Pot clique.

Comrade Hun Sen announced in Tokyo at the beginning of June that he could not recognize the Pol Pot-Khmer Rouge group as an independent party because it is just a component of the Cambodian national coalition government.

Therefore, if Samdech Sihanouk persists in demanding that the Pol Pot clique be regarded as a separate party in the solution, it would mean that he is dismantling his Cambodian national coalition government and continuing to serve as a lawyer for the criminal Pol Pot clique. This is unacceptable to the Cambodian people because whatever the circumstances, no criminals should be pardoned by the law nor should they be allowed to enjoy equal power with the victims.

Meetings, Messages Mark SRV National Day

'Grand' Meeting Held 1 Sep

BK0109130390 Phnom Penh Domestic Service in Cambodian 0430 GMT 1 Sep 90

[Text] The Committee for Organizing National and International Festivals held a grand meeting this morning at the Basak Conference Hall to mark the 45th anniversary of Vietnam's August Revolution and 2 September National Day under the chairmanship of Comrade Heng Samrin, general secretary of the Central Committee of the Kampuchean People's Revolutionary Party and chairman of the Council of State of the State of Cambodia. Attending the meeting were the comrade leaders of the party, state, and mass organizations and over 900 cadres and personnel of various central ministries and offices and Phnom Penh city. Also present were the comrade ambassadors, charges d'affaires, and representatives of embassies of friendly countries in Cambodia.

Speaking on this auspicious occasion on behalf of the party, government, and people of the State of Cambodia, Comrade General Secretary Heng Samrin expressed sincere feelings of fraternal friendship and warmest congratulations to the comrade leaders of the Vietnamese party, government, and fraternal people who are

marking this auspicious occasion and striving to build and defend their beautiful motherland. The comrade also stressed the significance of Vietnam's August Revolution victory and 2 September National Day which had smashed the yoke of domination by old and new colonialism and opened a new era which has been inscribed in Vietnamese history as an era of independence and freedom, and a new era which has blazed a trail for Cambodia and Laos to win their victories up to the present.

Comrade General Secretary Heng Samrin expressed profound gratitude to the party, government, and heroic people of Vietnam for helping to liberate the Cambodian people from the danger of Pol Pot's genocidal crimes and their contributions to the cause of defending and building the Cambodian motherland until today.

Comrade General Secretary Heng Samrin also spoke on the progress made by the State of Cambodia in the past 11 years, particularly following the total withdrawal of the Vietnamese volunteer troops. He also emphasized the goodwill of the party and state of the State of Cambodia, which have always desired to seek peace for the Cambodian people through negotiation.

Comrade General Secretary Heng Samrin added that the party and Government of the State of Cambodia will continue to educate cadres, combatants, and people throughout the country to enhance solidarity, friendship, and harmonious cooperation between Cambodia and Vietnam; among Cambodia, Vietnam, and Laos; and with the fraternal countries and progressive forces across the world for the sake of each country's interests as well as the common interests in this region and elsewhere in the world.

On the same occasion, Comrade Ngo Dien clearly explained the significance of the August Revolution and 2 September National Day of Vietnam under the leadership of President Ho Chi Minh. Comrade Ngo Dien also spoke on the all-around development made by the SRV in the past 45 years under the CPV, particularly the outcome of the implementation of the reform policy set forth by the Sixth CPV Congress. Comrade Ngo Dien stressed that the Vietnamese people together with the peoples of Cambodia and Laos pledge to successfully implement the last wish of President Ho Chi Minh, which is to build a peaceful, unified, independent, democratic, and prosperous Vietnam and to appropriately contribute to the world's revolution.

Chea Soth Attends Goods Exhibition

BK0309053490 Phnom Penh Domestic Service in Cambodian 1300 GMT 2 Sep 90

[Summary] On the afternoon of 31 August, the Vietnam-Cambodia import-export company organized an exhibition of goods to mark the 45th anniversary of the SRV's August Revolution and 2 September National Day.

"Presiding over the occasion on the Cambodian side were Comrade Chea Soth, member of the party Central Committee Political Bureau and vice chairman of the Council of Ministers; Comrade Ney Pena, member of the party Central Committee Political Bureau and chairman of the Central Propaganda and Education Commission; Comrade Sim Ka, alternate member of the party Central Committee Political Bureau and secretary of the Phnom Penh city party committee; Comrade Tang Saroem, member of the party Central Committee and trade minister; and female Comrade Ho Non, member of the party Central Committee and industry ministry." "On the Vietnamese side were Ngo Dien, SRV ambassador to Cambodia and many cadres of the Vietnam-Cambodia import-export company."

Among the 400 types of Vietnamese-manufactured goods exhibited were agricultural equipment, light industrial goods, clothing, building structures, television sets, fans, electrical appliances, medicine, food products, and cultural goods.

Leaders Greet Counterparts

BK0309044690 Phnom Penh Domestic Service in Cambodian 1300 GMT 2 Sep 90

[Text] On the 45th anniversary of the August Revolution and the 2 September National Day, Comrade Heng Samrin, general secretary of the party Central Committee and chairman of the Council of State; Comrade Chea Sim, chairman of the National Assembly; and Comrade Hun Sen, chairman of the State of Cambodia's Council of Ministers, sent a congratulatory and greeting message to Comrade Nguyen Van Linh, general secretary of the Communist Party of Vietnam [CPV]; Comrade Vo Chi Cong, chairman of the State Council; Comrade Le Quang Dao, chairman of the National Assembly; and Comrade Do Muoi, chairman of the SRV Council of Ministers. The message says in essence:

On behalf of the Kampuchean People's Revolutionary Party, the National Assembly, the State of Cambodia's Council of State and Council of Ministers, and the entire Cambodian people, and in our own names, we are most happy to express to you, and through you to the CPV Central Committee, the National Assembly, the Council of State, and the Council of Ministers of the fraternal SRV, profound greetings and warm congratulations on the 45th anniversary of the August Revolution and the 2 September National Day.

Under the clear-sighted leadership of the CPV, headed by Comrade Nguyen Van Linh, the heroic fraternal Vietnamese people have braved and overcome difficulties and scored great victories in their foreign and local political life for well-being, social progress, and peace. The Cambodian party, government, and people would like to express sincere congratulations for all these victories and consider them as the common victories of the fraternal people in the Indochinese peninsula.

In the face of the current international political changes, the relations of solidarity between Cambodia and Vietnam, as well as among the three fraternal Indochinese countries of Cambodia, Vietnam, and Laos, have been further consolidated and expanded more than ever for the cause of peace and stability in the region and the world. The Cambodian party, government, and people, who have received support from the fraternal Vietnamese party, government, and people, as well as from the peace- and justice-loving international community, will continue to struggle to defend their sovereignty, independence, territorial integrity, and legitimate rights in every international arena.

We would like to take this solemn occasion to express profound gratitude to the fraternal Vietnamese party, government, and people for providing sincere and timely assistance and support to the cause of the Cambodian revolution. We wish all of you good health, longevity, and new achievements in your noble tasks.

Hun Sen Greets Nguyen Co Thach

BK0309080990 Phnom Penh Domestic Service in Cambodian 0430 GMT 3 Sep 90

[Text] On the 45th anniversary of the August Revolution and the 2 September National Day of the SRV, Comrade Hun Sen, foreign minister of the State of Cambodia, sent a congratulatory message to Comrade Nguyen Co Thach, SRV foreign minister. The message says in essence:

I would like to send you and your colleagues sincere and warmest congratulations. The State of Cambodia and the SRV are fraternal and closest countries and will remain so forever. The heroic Vietnamese people have made the biggest contribution, both morally and materially, to the Cambodian people's rebirth. In this assistance and support, the Vietnamese party, government, and people have endured all kinds of difficulties to create favorable conditions for our State of Cambodia. I would like to take this opportunity to express profound thanks for your efforts and your colleagues' efforts to sincerely assist and support the Cambodian people's just cause to struggle to find a reasonable and just political solution to the Cambodian problem.

May the fraternal relations, militant solidarity, and multifaceted cooperation between the Vietnamese and Cambodian parties, governments, and people, as well as between our two foreign ministries, be firmly developed further. May you and your colleagues enjoy good health and new successes in your noble tasks for the cause of building and defending the glorious Vietnamese fatherland. Please accept my high consideration.

Chea Sim Receives New Cuban Ambassador 30 Aug

BK0109062390 Phnom Penh Domestic Service in Cambodian 1300 GMT 31 Aug 90

[Text] On the morning of 30 August at the National Assembly's office, Comrade Chea Sim, member of the party Central Committee Political Bureau and chairman of both the National Assembly and the front National Council, granted an audience to Comrade Ms. Ivonne Suarez, extraordinary and plenipotentiary ambassador of the Republic of Cuba to Cambodia, who came to pay him a courtesy visit.

At the meeting, Comrade Chea Sim warmly greeted the Cuban ambassador, who is assigned to fulfill her diplomatic mission in the State of Cambodia. He briefed his guest on Cambodia's multifarious development over the past 11 years and added that the material and moral support and assistance from the Cuban Government and people is inseparable from this development. He also restated the goodwill of the State of Cambodia's party and government, which are constantly willing to resolve the Cambodian problem via political means in order to end the war which has gone on for nearly 20 years. Comrade Chea Sim wished Comrade Ms. Ivonne Suarez new, still greater successes in the implementation of her mission in the interest of the Cambodian and Cuban peoples.

In her reply, the Cuban ambassador thanked the Cambodian leader for having given her an account of the real situation in Cambodia. She also reaffirmed zealous support for the way the State of Cambodia's party and government have run the country and pledged to do her utmost to help the Cambodian people in rebuilding their country toward early prosperity.

Chea Sim Chairs Meeting on Recruitment Work

BK0409054290 Phnom Penh Domestic Service in Cambodian 1300 GMT 3 Sep 90

[Text] On the morning of 3 September, at the office of the National Assembly, the Central Recruitment Council held a meeting on recruitment work, dispatch of troops, and training of Armed Forces in 1990.

The meeting was chaired by Comrade Chea Sim, member of the party Central Committee Political Bureau, chairman of both the National Assembly and the front's National Council, and chairman of the Central Recruitment Council. Attending the meeting were representatives of leading comrade cadres from the Defense Ministry and comrade chairmen and vice chairmen of recruitment councils from provinces in the 2d and 3d Military Regions.

The session listened to the report on recruitment work, dispatch of troops, and the targets for the second half of 1990, read by Comrade General Tie Banh, member of the party Central Committee Political Bureau and defense minister. Comrade Major (Chea Phin), deputy chief of the Training and Combat Department, also read a report summing up the training work and setting targets to be achieved this rainy season for the meeting to debate and exchange views to find good points to strengthen our Armed Forces' capability to assume the task ourselves.

Closes Meeting 4 Sep

BK0609045190 Phnom Penh Domestic Service in Cambodian 1300 GMT 5 Sep 90

[Text] On the morning of 4 September, the meeting of the Central Recruitment Council on army building, dispatch of troops, and Armed Forces training closed successfully under the chairmanship of Comrade Chea Sim, member of the party Central Committee Political Bureau and chairman of the National Assembly, of the front's National Council, and of the Central Recruitment Council.

During the meeting, which lasted for one and a half days, the participants, including the leaders of the Defense Ministry and the comrades from the army recruitment councils in cities, provinces, and the 2d and 3d Military Regions, discussed issues related to army recruiting work and the experiences from past work for use in improving the building of the Armed Forces both quantitatively and qualitatively.

In his closing speech, Comrade Chea Sim stressed that this was a constructive meeting based on a lofty sense of responsibility for the destiny of the motherland and constituted a key factor for building our Armed Forces. The army recruitment work will be successful only when all sectors at all levels strive hard to implement the law on national defense duty simultaneously and on an equal scale throughout the country. That is, this work must be carried out on a genuinely fair, equal, and comprehensive scale.

Editorial Stresses Anticorruption Campaign

BK0409124390 Phnom Penh Domestic Service in Cambodian 2300 GMT 3 Sep 90

[PRACHEACHON editorial: "Enthusiastically Welcome and Actively Implement the Communique of the State of Cambodia's Party and Government on the Campaign To Combat Corrupt Practices and Promote the Spirit of Thrift"; date not given]

[Text] Our party and government on 28 August made public a communique on the campaign to fight corruption and promote the spirit of thrift. This clearly shows that the significance of the resolutions adopted by the party Central Committee at its 11th session has already been put into actual practice. The party and government have already paid genuine attention to our people's and society's aspiration. What remains to be carried on is the sense of responsibility of all levels, sectors, cadres, party members, masses, and people for jointly, zealously, and unreservedly implementing the communique to create the daring spirit to fight off all manner of difficulties so as to win new successes for our society and people.

As a matter of fact, the party and government cannot be held responsible for the corrupt practices and the deficiency in practicing thrift while we always remain idle. All of us are supposed to take appropriate measures to solve those negative manifestations ourselves. Each of us should have his own judgment, cleverness, and patience in working out ways and methods to crack down on corrupt practices and waste. First of all, we should have complete agreement so as to ensure the success of the wide-ranging campaign against corruption and deficiency in practicing thrift.

Corruption is the misappropriation of property and funds belonging to the state and people through various methods, such as using authority and power, colluding with or without networks, embezzling with expertise and schemes or via legal channels, and so on. Individual or regional interests are also the origin of bribery, and persons who give or receive bribes are equally considered the wreckers of the nation and people. As for small- or large-scale waste, it is also a sort of ruining, more or less, of the nation and people and, more conspicuously, it will become the worst habit that contrasts with the hard-working and saving demeanor of the people.

Leading cadres at each level and sector are responsible for taking drastic measures to clean up corrupt practices and waste, for the practicing of thrift is the inexhaustible source of energy of the nation and that of the masses' and people's confidence in our new regime. They should primarily show themselves as good models in actively fighting against corruption and practicing thrift. Only by doing so will the masses follow us in jointly eliminating corruption and heightening the spirit of thrift by making savings in spending and using commodities, raw materials, equipment, fuel, drinking water, electricity, and so on.

Our party, government, and people will always memorize models of cleanness and thrift but never forgive corrupt individuals. The entire party, government, and people upholding the spirit of thrift call on cadres and masses, including combatants, to heighten this spirit as well.

Khieu Samphan Greets New Thai Foreign Minister

BK0209045690 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 1 Sep 90

[Text] His Excellency Khieu Samphan, Cambodian vice president in charge of Foreign Affairs, on 30 August conveyed a congratulatory message to His Excellency Subin Pinkhayan on the occasion of the latter's appointment as foreign minister of the Kingdom of Thailand. The message reads:

Your Excellency:

On behalf of the National Government of Cambodia [NGC] and in my own name, I would like to extend warm greetings to you on your appointment as foreign minister of the Kingdom of Thailand. May you achieve success in the implementation of the sacred task.

The Cambodian people and the NGC will remember forever the good deeds and valuable support given by the

Kingdom of Thailand to their correct and just cause of struggle to wrest back national independence and sovereignty.

May the traditional relations of friendship and solidarity between our two peoples and countries further strengthen and develop. Your Excellency, please, accept my highest regards.

30 August 1990
[Signed] Khieu Samphan, Cambodian vice president in charge of Foreign Affairs

16 Villages in Siem Reap Reportedly Freed

BK0709025290 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 6 Sep 90

[Text] Between 21 and 23 August, our resistance forces swept Vietnamese enemies and their puppets off areas along Route 6 from the eastern part of Kompong Kdei township to Pralay and attacked them in the areas north of Kompong Kdei township from Phum Thmei to Ansong Pong in Chikreng District on Siem Reap battlefield. We killed 15 enemy soldiers and wounded 20 others; destroyed 20 barracks and some war materiel; seized 15 AK's, 15 SKS guns, a B-40, and some war materiel; and liberated 16 villages, namely Phum Thmei, Chambak, Romeas, Pralay, Trapeang Prey, Kouk Ampil, Ta Ong, Prey Totoeng, Ta Nguon, Thnal, Khnong, Lveng Russei, Chreang Khpos, Trapeang Sleng, Ta Peam, and Chambak Thom. We freed 10 Cambodian soldiers.

On 26 August, the Vietnamese enemies and their puppets sent 100 soldiers from Kompong Kdei in an attempt to seize these liberated villages from us. We ambushed these soldiers when they arrived at Spean Tnaot. We killed 10 of them and wounded 18 others. The survivors fled back to Kompong Kdei. We freed 50 village administrators in Lveng Russei.

Laos

Phoumi Vongvichit Marks SRV National Day

BK0309115190 Vientiane Domestic Service in Lao 1200 GMT 31 Aug 90

[Speech by Phoumi Vongvichit, member of the Party Central Committee Political Bureau, acting president of the republic, and chairman of the National Committee in Charge of Organizing the Celebrations of the 45th National Day of Vietnam, delivered at the rally held on 31 August in Vientiane to mark SRV's 45th National Day—recorded]

[Text] Today we, the people of Vientiane capital, are gathering here under a festive atmosphere to celebrate the 45th anniversary of the SRV's 2 September National Day, an important and joyful occasion for the heroic Vietnamese people, close friends of the Lao people. Therefore, this major event also brings joy to the Lao people. [applause] On this occasion, we, the Lao party, government, and multiethnic people nationwide, wish to wholeheartedly extend our best regards and warm greetings and express our special militant solidarity and profound comradeship to the glorious Communist Party of Vietnam, Vietnamese government, people's Armed Forces, and heroic fraternal people.

Comrades and friends: The great victory scored by the Soviet Red Army and people over the Hitlerite fascists afforded a favorable opportunity for the fraternal Vietnamese people, under the leadership of the Indochinese Communist Party founded by Comrade Ho Chi Minh, to rise up and secure the victory for their revolution in August 1954, thus demolishing the old colonial administration of the warlords and feudalists, seizing the power and sovereignty nationwide for the people, and establishing the Democratic Republic of Vietnam, the first worker-peasant state in Southeast Asia on 2 September 1945.

During the past 45 years, with their willingness to make every sacrifice and determination to defend their country at all costs and with the belief that nothing is more valuable than independence and freedom, the heroic fraternal Vietnamese people fought old and new colonialists and other reactionary forces and scored great victories from their struggle for national liberation, defense, and independence and for the construction of their beloved country. Following the great resounding victories at Dien Bien Phu and Ho Chi Minh historical battlefields, the Vietnamese people's Armed Forces completely liberated the country and ushered in the new era of national unification and advancement to socialism.

Apart from these victories, the Vietnamese people have also attained major victories in various spheres of their social life. During the past 45 years, despite numerous difficulties caused by the subversive maneuvers [words indistinct] the imperialists and reactionaries, the Vietnamese people have always held aloft their spirit of revolutionary heroism and collective mastery, scored continuously great victories in the economic and cultural battlefronts, improved their technical and material foundations, continuously restructured their economic management work, and expanded the country's production. Food and grain production continued to rise to the level of self-sufficiency, and the country has become a food exporter. New achievements have been registered in the areas of distribution and circulation of goods and in economic relations with foreign countries. Education, culture, public health, and social works have been developed tremendously as confidence, intelligence, and creativeness of the masses and the ability to mobilize capital from various sources among the masses are heightened. These have constituted a major contribution to the efforts to overcome various difficulties and to improve the people's living conditions.

In practice, the restructuring line adopted by the Sixth Communist Party of Vietnam [CPV] Congress [words indistinct] and resolutions of the central committee

Political Bureau have been proved to be correct and are being materialized, thus enhancing the people's confidence and determination to strive to overcome difficulties and hardships in order to fulfill the targets set by the congress.

In the foreign relations front, the SRV has also registered numerous great victories, thus improving the country's potentials and heightening its prestige in the international arena and creating conditions conducive for the Vietnamese people to step forward to score new and greater victories, particularly in fulfilling the international obligation by the Vietnamese Armed Forces to rescue the Cambodian people from the Pol Pot genocidal clique. The SRV's stance toward the Cambodian problem is a creative and comprehensive one and reflect its good intentions. The U.S.-Vietnamese and Vietnamese-Chinese direct talks have created conditions conducive to the settlement of this problem.

All the great victories and achievements during the past 45 years have significantly contributed to the common aspiration of the world's people for peace, national independence, democracy, and social progress and for the defense of peace and stability in the Southeast Asian region and the world as well. The aforementioned victories are the victories of the correct line of Marxism-Leninism and the CPV's talented application of this line with the actual conditions in its country. These victories are also the result of the high sense of patriotism and heroism of the CPV and the fact that it fears no obstacles and difficulties facing the Vietnamese people. The special militant solidarity of the three countries—Laos, Vietnam, and Cambodia, and the struggle for peace, national independence, democracy, and social progress have also contributed to these victories. [applause]

We, the Lao party, government, Armed Forces, and multiethnic people nationwide, wish to wholeheartedly express our admiration and respect for all the great historic victories and achievements scored by the fraternal Vietnamese people and regard them as our own victories and achievements. [applause]

Beloved comrades and friends: During the past several decades, the parties, states, and peoples of our two countries have been bound together, fought from the same trench, shared both weal and woe, and sacrificed our blood and flesh together to score one victory to another victory along the difficult path of the revolution. This special and firm relationship is one of the essential factors for the existence and expansion of revolution in our countries.

The official visit to the Lao People's Democratic Republic of Comrade Nguyen Van Linh, general secretary of the CPV Central Committee, in mid-1989 marked an important milestone in our bilateral relations and strengthened the special militant solidarity and relations between our two parties, states, and peoples in the new era of the revolution in our countries. The Lao people in the entire country will never forget the enormous generosity, support, and cooperation rendered by the Vietnamese people to the Lao people's struggle for national liberation, defense, and construction.

On this occasion, I, on behalf of the Lao party, government, and people in the entire country, express our heart-felt gratitude [words indistinct] toward the CPV, government, and fraternal people of Vietnam, who are always tightly united with the Lao party, government, and people, for their consistent support for the revolution in our country.

We believe the current situation requires our two parties, states, and peoples to exert more efforts to strengthen the tradition of our relations. We must also wholeheartedly support and help each other so as to carry out the revolutionary tasks of each country and actively contribute to the struggle for peace, stability, and cooperation in the Southeast Asian region and the world. [applause]

The joyous atmosphere today reminds us of beloved Chairman Ho Chi Minh, who has exerted all his efforts to pave the way for the pure friendship between Laos and Vietnam. We always remember his teaching, especially the poem that reads: To loving hearts, nothing is difficult; they can climb all mountains, pass and cross all rivers. Lao-Viet friendship is deeper than the waters of the Hongha and Mekong Rivers. [applause]

Lao communists and people of all generations in the whole country pledge hereby to do their utmost, regardless of circumstances, to further strengthen and immortalize the special and traditional solidarity and friendship between the two countries, states, and peoples of Laos and Vietnam. [applause]

We are so proud to see that our two countries are always unanimous in connection with the correct and goodwilled principle pursued by the State of Cambodia to bring about national reconciliation and a political solution to the Cambodian problem that is fair and fundamentally rational with respect for the right to self-determination of the Cambodian people. The Cambodian problem must be solved by various Cambodian factions themselves free from external interference. The Lao and Vietnamese peoples will make efforts to increase special solidarity and all-around cooperation with the fraternal Cambodian people, the Soviet Union, and other friends. We will also strive to broaden relations with all countries, first of all neighboring countries and ASEAN member countries, so as to make joint efforts to turn Southeast Asia into a region of peace, stability, friendship, and cooperation. [applause]

Beloved comrades and friends: On this festive occasion, we, the Lao party, government, and multiethnic people in the entire country, wish the fraternal Vietnamese people under the clever leadership of the CPV headed by Comrade General Secretary Nguyen Van Linh new successes from their revolutionary cause and implementing the resolutions adopted by the sixth party congress so as

to ceaselessly carry out the task of restructuring and successfully build a socialist, prosperous, and strong Vietnam. [applause]

Long live the Laos-Vietnam and Laos-Vietnam-Cambodia great friendship, special solidarity, and all-around cooperation! [applause]
Long live 2 September spirit! [applause]
May great President Ho Chi Minh remain in our hearts forever! [applause]
Long live peace in Southeast Asia and the world! [applause]

Thank you.

Philippines

Bases Council Urges Termination of Bases Treaty

HK0709093390 Manila Radio Veritas in Tagalog 0900 GMT 7 Sep 90

[Text] The legislative-executive bases council formed by the president to study alternative uses for the U.S. military bases in the country has recommended the termination of the U.S. bases agreement. The proposal is contained in the Alternative for the Base Land study undertaken by a group headed by University of the Philippines President Dr Jose Abueva.

The report was completed 10 days before the start of formal negotiations on the future of Clark Air Base and Subic Naval Base and four other U.S. facilities in the Philippines. Abueva did not give details of his conversion plan but said simply that the remaining base land may be used for commercial purposes.

In a briefing at Malacanang, Professor Abueva urged President Corazon Aquino to redefine relations between Manila and Washington and to abide by the spirit of the Constitution in adhering to an independent foreign policy and to an independent, self-reliant economy.

According to Abueva, the removal of U.S. military forces and facilities as well as the conversion of the bases would be the first step toward realization of the aspirations of society and of the future of our country.

Senator Criticizes Consultants

HK0609060790 Manila THE MANILA CHRONICLE in English 6 Sep 90 pp 1, 6

[By Tress Reyes]

[Text] Senator Leticia Shahani threatened to resign from the Legislative-Executive Bases Council [LEBC] after expressing dissatisfaction over its consultants' "lack of skill" on the bases conversion question.

In a letter dated July 26, and addressed to Transportation Undersecretary Arturo Corona, chairman of LEBC committee B which is drafting the Subic conversion plan, Shahani said unless the consultancy team was replaced by "real" experts, she would resign from the committee.

Shahani said the consultant firm hired to study Subic's conversion into an international cargo transshipment port was not suited for the job. Her letter, obtained by the CHRONICLE from foreign office sources, complained that the firm lacked expertise in the shipping, container, and oil tanker industries. Its knowledge was also short of other "minimum requirements" like international and economic relations.

She did not identify the firm in her letter, but sources said it was Basic Technology and Management Corp.

Because of the problem with the consultant, the LEBC had to hire Swan Hunter, a British firm that converted the British naval bases in Malta and Singapore into merchant shipping ports. Sources said the move violated LEBC's self-imposed commitment to rely solely on Filipino experts.

A three-man Swan Hunter team is now conducting a survey on the viability of Subic as a ship repair and building facility.

In a memo to the LEBC, an oversight consultant also criticized the firm for engaging in "guesswork" and recommended that its services be terminated. Victorino Basco, former chairman of the Philippine Port Authority, charged that the consultants failed to conduct site inspection as well as topographic, hydrographical, geotechnical and oceanographic surveys for its study.

Aquino Addresses Chinese World Traders Meeting

HK0609090790 Quezon City Radyo ng Bayan in Tagalog 0520 GMT 6 Sep 90

[Speech by President Corazon C. Aquino on the opening of the 17th World Chinese Traders Convention at the Philippine Westin Plaza Hotel in Manila—live, in English; italicized portion in Tagalog]

[Text] Mr. Ralph Nubla, Mr. Domingo Lee, the delegates to the 17th World Chinese Traders Convention, the officers and members of the Federation of the Filipino-Chinese Chambers of Commerce and Industry, distinguished guests, ladies and gentlemen. On behalf of the Filipino people, I welcome all of you delegates to the 17th World Chinese Traders Convention. It pleases me that you have chosen Manila as a venue of this year's meeting. You have refused to be cowed by the exaggerations being spread abroad portraying the country as unstable. Now that you are here, you can see for yourselves that what you heard were only rumors. I was told that the last time the convention gathered here was in 1965, 25 years ago. Our country was then at the threshold of a dark era. In that year a dictator first assumed power which he was to wield over my countrymen for 20 long years.

In contrast, on your second gathering here, the country has just gone past the threshold leading to another path, the path to freedom and normalcy. Our nation is recovering from the shock of 20 years of repression. The healing process has been painful and fraught with natural and man-made threats to our growth.

Recently a devastating earthquake and a series of floods tested our spirit to survive. But the Filipino people's courage, faith, and resilience, the qualities that have borne us through the worst of times will once more see us through this problem.

I know the prime importance of the Chinese community in international trade. With the possible exception of Antarctica, Chinese traders are all over the world. I am also aware of the growing attraction of this annual convention as indicated by the increasing number of your delegates in this hall—our participants from Europe, Africa, South and North America, Australia, and of course Asia. I am, therefore, greatly touched by your decision to meet here and especially by your focusing on my country in your convention's third objective—to channel the resources of Overseas Chinese businessmen to promote the economic and trade development in the Philippines.

The Chinese have long been regarded in this country as prime movers of the economy. Philippine history attests to the brisk business the Chinese traders enjoyed long before Magellan came to these shores. Many, in fact, intermarried with the natives and have had since lived here as Filipinos. And when life in China became too hard for some, many more immigrated here.

The Philippines has always been a haven for Chinese migrants, and Chinese culture and tradition have long enriched the Filipino way of life. It is, however, in the area of trade and industry that our Chinese brothers have made their most significant stride in this country. Through hard work, business acumen, and entrepreneurial talents, many Chinese have evolved from coy small traders into top bankers and industrialists.

Now, our Filipino Chinese are into all fields of economic endeavor, while Overseas Chinese doing business here are fast becoming the top foreign investors in the country. Together, our local and foreign-based Chinese brothers are a major boost to the country's economy providing employment and income to our people, and supporting government with the taxes they pay.

We have a strong and very cooperative association of Filipino-Chinese businessmen and industrialists here. With the leadership of the Federation of the Filipino-Chinese Chambers of Commerce and Industry, I can count on the Filipino-Chinese community to support the government. This is readily seen from the past that our Filipino-Chinese investors have retained their investments here, despite some trying times.

I would like to take this occasion, therefore, to recognize their contribution. I thank our Filipino-Chinese businessmen and entrepreneurs for helping us sustain the country's economy. What I wish to emphasize is that the Chinese who have done business here have prospered. Such a fact is perhaps the best guarantee for investment. I refer those who intend to invest here for the first time to our Chinese residents, who are witnesses to the freedom they enjoy here. They have not been subjected to racial discrimination and within the bounds of our laws; they have been free in their activities to earn lawfully. Free enterprise is the cornerstone of our economy.

In this country, every person is entitled to the equal protection under the law. Filipinos and foreigners alike are guaranteed due process under our constitution. Transgressions of the law, regardless of nationality, are accorded just treatment by our courts. Our fundamental law upholds the sacredness of individual liberty and safeguards the properties of Filipinos and foreigners alike.

Furthermore, we are offering a package of incentives for foreign investors wishing to engage in designated priority areas for investments. All these are offered to those willing to invest here.

I understand that during the convention, you will be briefed about specific business and investment opportunities. I would not then deliver on these specifics. Allow me only to point out that there is a special reason for the incentive offer. We need to catch up with the growth rate of countries along the Pacific rim, for the repressions in our past have caused us to lag behind our Asian friends. We are targetting a growth rate that will enable us to join the newly industrialized countries of the 21st century. That is only 10 years hence.

Furthermore, we need to recover quickly from the devastation of the recent earthquake that hit us. Foreign investments would be a big help in the country's rehabilitation effort. Your investments would bring us, you, and our people mutual benefits. I have high hopes that this convention will forge a new relationship between our local Chinese businessmen and their foreign counterparts even as it strengthens old friendships. I wish this convention success and entrust you a pleasant stay in my country. And in our language let me bid all of you long life. *Long life to all of you.*

Manglapus Cites Plans on Foreign Missions

HK0509095690 Manila PHILIPPINE DAILY INQUIRER in English 4 Sep 90 p 11

[Text] The Department of Foreign Affairs [DFA] will utilize P [peso] 287.5 million of its 1991 proposed budget of P1.7 billion in the purchase of real estate in Paris and Kuala Lumpur, Foreign Secretary Raul Manglapus said yesterday.

Speaking before members of the appropriations committee of the House of Representatives, Manglapus said the property in France and Malaysia will cost the government P253 million and P34.5 million, respectively. Funds for the acquisition of these properties form part of the department's proposed capital outlay expenses, 85 percent more than this previous year.

In yesterday's budget hearing, Manglapus also announced plans by the department to open new diplomatic missions in Muscat (Oman), Doha (Qatar), Manama (Bahrain), Ankara (Turkey), Vientiane (Laos), Barcelona (Spain) and Milan (Italy).

The DFA, he said, will also transfer the Philippine embassy in Libreville, Gabon, to Dakar, Senegal, and the mission in Berlin, East Germany to Warsaw, Poland. "All these have the approval of President Aquino," he said.

On the opening of diplomatic missions in the three Gulf states, Manglapus said the embassies "would enable the government to actively attend to the concerns of close to 100,000 Filipino workers in these areas."

He pointed out "the position of the three states at the Organization of Islamic Conference [ICO] with regards to the Moro National Liberation Front [MNLF] have continuously been for moderating MNLF actions against the Philippines."

Manglapus said the reopening of an embassy in Senegal, was necessary because the African nation is a member of the Quadripartite Committee of the OIC "tasked to determine whether or not the provisions of the 1976 Tripoli Agreement have been implemented by the Philippine government." Senegal, he noted, will be the host of next year's OIC summit.

On the new mission in Ankara, Manglapus said "diplomatic relations with Islamic countries must be further strengthened." Turkey is one of the most influential Muslim countries, he said.

In Spain, Manglapus said the opening of a consulate-general in Barcelona was justified because "it has the largest concentration of Filipinos in that European country."

On the new consultate in Milan, the foreign secretary said the 15,000 Filipino workers in Northern Italy comprising the cities of Milan, Bologna, Verona, Venice and Torino "constantly require consular services."

Malacanang Studying Amnesty for Rebel Soldiers

HK0509125990 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 5 Sep 90

[Text] Malacanang Palace will thoroughly study the possibility of granting amnesty to rebel soldiers involved in previous attempts to overthrow the government. According to President Corazon Aquino, she is still awaiting a report from the Davide Commission which is due for release very soon. She added that the report could serve as a basis for the study.

Earlier, the president stressed that Malacanang is open to a suggestion by Senator Teofisto Guingona to grant unconditional amnesty to rebel soldiers and communist rebels. The government traditionally offers amnesty to leftist rebels but has not made similar offers to rightist or rebel soldiers.

The president explained that the granting of amnesty to soldiers involved in coups primarily because of deception by their superiors will have to be studied.

Meanwhile, Senate President Jovito Salonga warned against a move by President Aquino to offer immediately a general amnesty to rebels fighting the government. According to Salonga, all factors connected with such a proposal should be studied carefully before it is implemented. He cited the case in foreign countries where the granting of amnesty is studied at length before it is acceptable to both the government and rebels who wish to return to the fold of the law. Salonga also expressed concern that if implemented without careful study, the proposed general amnesty would only result in more harm to the country.

[Begin Salonga recording in English] That has to be voiced out first before you talk about amnesty for everyone. I think there should be a lot of spade work. In other countries where amnesty is declared, there is a lot of preparatory spade work because it can raise a lot of false expectations. And it will be worse for the government after that. What I am saying is that you undertake a lot of spade work first, negotiations, and when you...yah, spade work. Not overall poor negotiations. No. We should make a lot of preparations so that when you talk about it later, it will not raise false expecations. [end recording]

Earlier, President Aquino announced that she would study a proposal by Senate Majority Floorleader, Teofisto Guingona, on general amnesty for rebels in response to the crisis confronting the country. Mrs Aquino also stressed the need for a gradual process in moving toward national unity and progress.

Enrile Urges Total Amnesty

HK0509123190 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 5 Sep 90

[Text] Senate Minority Floorleader Juan Ponce Enrile, proposed that the government offer total amnesty to all its political foes, including rightist rebels. According to Senator Enrile, the government would score a major moral victory over the problems confronting the country if it does so.

Speaking on the radio program "Liberty in Action," Senator Enrile also said that the administration has two remaining options in connection with the peace and order situation.

[Begin Enrile recording in English] Realistically speaking at this point, the government has only two alternative policies available to them: Either a total war which they cannot because we know their weaknesses and we know their deficiencies, especially the problem of unity in the government and in the Armed Forces; or they now realistically say that well, we swallow our pride, we come to you, and we talk peace. Which I think that is going to be the direction now. [end recording]

Senator Enrile also said that if invited, he will attend the National Security Council meeting because it is his obligation. However, he does not intend to take part in an expanded committee which will discuss major issues confronting the country, notably in the field of security. He added that members of the Supreme Court should also abstain from taking part in this committee.

[Begin Enrile recording] That is not right because if the issues discussed concern national security, they will cover killings and shootings. And once these issues reach the courts, those who attend the meeting will have to inhibit themselves. That is not the work of those in the Supreme Court. It should be the work of cabinet members, not all of them. There are only a few cabinet members who may take part. And the political opposition should also be included. [end recording]

Senators Comment

HK0609060190 Manila THE MANILA CHRONICLE in English 6 Sep 90 pp 1, 6

[By Lito Zulueta and Johanna Son]

[Text] President Aquino indicated yesterday she was agreeable to granting amnesty only to soldiers "misled into supporting coup attempts," not to the coup leaders. Still, Mrs Aquino said, the "possibility of the program being extended to cover soldiers who were misled into supporting coup attempts will need further study." She said that, before making a final decision, she would wait for "possible inputs from the final report of the Davide Commission, which is forthcoming very soon."

The President had formed the commission, appointing the former constitutional commissioner Hilario Davide as its chairman, to investigate the coup attempt in December, the sixth and the bloodiest against her government.

The idea of amnesty for rebel soldiers has been raised at its hearings, although Defense Secretary Fidel Ramos pointed out yesterday that the Cabinet committee on security and political affairs, to which he belongs, had long before considered it. In fact, he said, the committee has drafted guidelines for an amnesty program for rebel soldiers. He did not say exactly what these guidelines were. In any event, he said, "it is very clear that this government—the President—had long taken the initiative for opening up an amnesty program for military rebels."

But he pointed out that granting amnesty is not an absolute presidential power—under the Constitution, Congress has to approve every grant. The latest amnesty proposal had come from Sen. [Senator] Teofisto Guingona, who said, "We cannot face the crisis with a divided house." He was referring to the economic troubles brought by a string of calamities and lately the conflict in the Persian Gulf, main crude-oil source for the country. Guingona had proposed "unconditional amnesty." He had received colleagues' support.

Senator Juan Ponce Enrile, the opposition leader, said yesterday, "It must be a total wiping out of all slates, and we start again."

Senate President Jovito Salonga, for his part, warned Mrs. Aquino's government against raising "a lot of false expectations." He said "there should be a lot of spade work first ... before you talk about amnesty for everyone." He noted that, in other countries, intensive preparations—"full negotiations" with each affected group—had preceded amnesties.

Rebel Chief Urges Amnesty for All

HK0709033290 Manila THE MANILA CHRONICLE in English 7 Sep 90 pp 1, 12

[By staff member Cherry Velarde]

[Text] Prisoner Rodolfo Salas, under trial as former chief of the Communist Party, said yesterday that if the government wanted national reconciliation it should offer unconditional amnesty to all rebels, leftist or rightist, including political detainees.

Salas added that this was "one of the concrete steps the government could take to prove its sincerity." And if this amnesty came "simultaneously with multi-partisan peace talks, ...it would create the best atmosphere leading to national reconciliation," he said. Salas' statement was the first on the issue from a known representative of the left.

He gave his views to the CHRONICLE in a brief interview as he prepared to return to his military prison from the Manila Regional Trial Court after a postponement of a hearing of the rebellion charges against him and his wife, Josefina Cruz, and Jose Concepcion, who had worked for them as a driver. All three of them have been in detention for four years now.

Judge Procoro Donato ordered the postponement after Manuel Casaclang, a retired general now chief of the Judge Advocate General's Office, and Lt Col [Lieutenant Colonel] Carlos Tanega, Armed Forces intelligence chief, had failed to appear. Salas warned that, if the grant of amnesty took the normal constitutional course that requires a judicial process leading to conviction before forgiveness is given, it would be "useless." This amnesty, therefore, he said, should be "unconditional."

The government began considering amnesty after Sen [Senator] Teofisto Guingona had proposed it at a public

forum. He, too, wanted "unconditional amnesty," saying that it was necessary at a time when the nation was faced with a "big crisis."

He was referring to the economic troubles brought by calamities and lately the conflict in the Persian Gulf, main source of the country's crude oil. He had said, "we cannot face the crisis with a divided house."

His proposal is being considered alongside another proposal—a ceasefire, put forward by Sen Wigberto Tanada and Church leaders. Initially, the government wants a ceasefire in places that had suffered most in the July 16 earthquake so that rehabilitation there may proceed freely.

Salas, on the other hand, favored an "unlimited ceasefire," meaning "nationwide" and applying to all contending forces, leftist and rightist. And even then, he said, the ceasefire could not lead to permanent peace unless certain conditions were met. He proposed a "multi-partisan, round-table dialogue to settle the root cause of the conflict" between the government and all the groups opposed to it.

He specified the inclusion of the National Democratic Front [NDF] (the political arm of the Communist Party), the secessionist Moro National Liberation Front, the military rebels led by the Reform the Armed Forces Movement (RAM) and the legal opposition, including the people identified with Ferdinand Marcos' regime. This is necessary "if the government is serious in finding a peaceful solution to the conflict," he said.

He added that "ideological differences" must also be settled first, an issue promising to be contentious since the government has announced a contrary position. He noted with skepticism the government's precondition, particularly espoused by the military, of the rebels having to lay down their arms before any peace talks could be held. It "might not be acceptable to the NDF," he said. It means "putting the revolutionary forces in a straitjacket."

Salas said that, although he favored ceasefire, he feared that it would be used to "achieve for the military what it has been wanting to do for the past 20 years—disarm the force."

He said the NDF and RAM had already implemented unilaterally a ceasefire in earthquake-affected areas. That's why "there is already a reduction in NPA [New People's Army]-initiated operations in Northern and Central Luzon," said Salas, known as a founder of the New People's Army, the communist military arm. But he complained that the government had "persisted with operations that led to confrontations."

"But the ceasefire is palliative," he said. "The point is, the key issues must be tackled first. And one of them is the intolerance of the government to political ideologies (which) fuels the conflict." Salas said he believed the government's peace initiative was prompted largely by the "worsening political and economic conditions in the country." This is its "last chance" to redeem its popularity, he said.

Emissaries from the left, meantime, tended to affirm Salas' views. Senator Tanada, quoting them, said the "underground left" would only accept a nationwide ceasefire if the government agreed to a political settlement.

The left's politics favors basically social justice, agrarian reform and the removal of the American military bases. The government has said it was not holding any peace talks on those or any other preconditions from the left. Just the same, Tanada said, his group and the government committee now formulating a framework for the ceasefire are trying to "bring the government and the NDF to the negotiating table."

At all government levels—from national to barangay—preparations are being made for the implementation and monitoring of a ceasefire when it happens, according to Local Government Secretary Luis Santos.

Commentator: Aquino Has Ceded Power to Ramos

HK0409050990 Quezon City DZEC Eagle Broadcasting Corporation Radio in Tagalog 0200 GMT 4 Sep 90

[From "Listen to Ilagan" program hosted by Ruben Ilagan—italicized portion in English]

[Text] In connection with reports about possible peace talks and cease-fires with government enemies, Mrs Aquino has revealed her true colors, and they are no different from the statements and views of Secretary Fidel Ramos. It is amazing that the positions of these two persons are identical, that is, they are both in favor of a cease-fire with communist rebels only and in selected areas devastated by the recent earthquake.

Mrs. Aquino stated: *I am more for a cease-fire not on a nationwise basis, but for selected areas.* This is the same position and view pronounced by Secretary Ramos recently. He, too, favors a selective truce. This is rather striking because, if I am not mistaken, this was the first time that Mrs Aquino and Secretary Ramos came out with a single voice. It is even more notable in view of the developments in recent days.

I am puzzled by Mrs. Aquino's remarkable agreement with the statements and actions of Secretary Fidel Ramos. This is no coincidence. I cannot help but wonder if this is not the result of a reported one-on-one meeting between Mrs. Aquino and Secretary Fidel Ramos recently. It appeared that when rumors of a coup d'etat were flowing in the country—it was said that Secretary Ramos would be involved in a constitutional coup. My fellowcountrymen, you must have heard of them. Talk was rife that a coup would take place. It was alleged that aside from a coup to be launched by the group of Honasan and Zumel, speculations also surfaced that a coup would be triggered from within the government,

with Secretary Fidel Ramos and General de Villa spearheading the attempt. Since both are in power, it would be so easy for them to launch a coup and seize state power. They will allegedly keep Mrs. Aquino as figurehead or ceremonial president, with power lying with a junta headed by Ramos. Of course, those were mere rumors.

However, in the light of the recent developments attested by Mrs. Aquino's statements identical with those of Secretary Fidel Ramos, it appears that the stories are bearing more truth and significance. Now, reports of a private meeting between Mrs. Aquino and Secretary Ramos seem to acquire credibility in view of the developments: That is, if we examine the actions and positions of Mrs. Aquino more deeply. All kinds of speculations have resulted from the reported private meeting, one of which is what I have just outlined to you.

As you can see, after the reported meeting, Mrs. Aquino issued a statement asserting her confidence in the loyalty and leadership of Secretary Ramos and brushing off allegations of Ramos heading a coup d'etat. This came out after the reported private meeting where Mrs. Aquino immediately announced her continued support and trust in Secretary Fidel Ramos.

And now, she has seconded Ramos' view on the possibility of peace talks and cease-fires. As far as I am concerned, this is very significant. It seems that Mrs. Aquino is now obeying the position of Ramos. The two persons now share one voice. Ramos' assertiveness is also notable. He is confident when he speaks and states his views now. Is this an indication of Mrs. Aquino's surrender to the military, which thus reduces her to a figurehead, a ceremonial president? I am just wondering, my fellowcountrymen.

Maceda Warns No Budget if Council Not Convened

HK0609102190 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 6 Sep 90

[By Cesar Chavez]

[Text] Senate Defense Committee chairman Senator Ernesto Maceda today warned he would drop the National Security Council's proposed budget for 1991 if the council is not convened by President Aquino.

In a news conference, Maceda said that as chairman of the Senate's Sub-Committee on Finance Two, he will drop the (20-million) peso proposed budget for the Council if it is not convened despite a widespread call by the people.

Earlier this morning, Senators Guingona and Angara told Liberty in Action that the president should use organized institutions like the National Security Council in her consultations concerning grave problems of the country. The president, however, rejected convening the Council, which, according to Senate President Jovito Salonga, was due to the president's opposition to Vice President Laurel's participation in the process:

[Begin Maceda recording in English] If the government itself is saying that we do not need to convene the Council of State, we do not need the National Security Council, then that is very clear. We do not need to give them any budget for it. [end recording]

That is Senator Ernesto Maceda.

At the same time, Maceda urged Joma Sison, Tony Zumel, Benito Tiamzon, and Rolly Kintanar, all CPP-NPA-NDF [Communist Party of the Philippines-New People's Army-National Democratic Front] leaders to tell the public their true position on the cease-fire proposal.

According to Maceda, the talks for a cease-fire will be meaningless if the communist rebels do not agree to it. As of this time, the communist rebels have not issued their official position.

Meanwhile, Senator Tanada, the prime cease-fire advocate, said he is willing to lead a meeting between government officials and communist rebels in response to Maceda's call. Maceda said that should a cease-fire pull through, it should be enforced first in Negros Island, Samar, and Bondoc peninsula because these are the bulwarks of military and NPA operations.

Military on Blue Alert, Coup Fears Dissipate

HK0409052390 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 4 Sep 90

[Text] Concerns about attempted coups d'etat in Metro Manila over the past three weeks seem to have disappeared as all military units around the country are now only on blue alert. AFP [Armed Forces of the Philippines] spokesman Colonel Juanito Rimando said that all military units were placed on blue alert only starting yesterday afternoon. Under this alert signal, all military units have to have half of their men and equipment in their respective camps and be prepared for any emergency.

It will be recalled that while on red alert, almost 16,000 troops and policemen were placed on 24-hour call and were restricted to military camps in Metro Manila.

Newspaper Denounced for PSG Report 'Lies'

HK0509100090 Manila Radio Veritas in Tagalog 0900 GMT 5 Sep 90

[Text] PSG [Presidential Security Group] commander Colonel Voltaire Gazmin denied a report published in a leading newspaper claiming that his men were involved in some bombing incidents. Calling the reports lies, Gazmin explained that none of his men has been arrested, detained nor suspected of any terroristic act.

According to Gazmin, the PSG kept track of the activities of its men in recent days and none of them has been detained. He added that this can be affirmed by the National Capital Region Defense Command and the

Intelligence Service of the Armed Forces of the Philippines. Gazmin also refuted the paper's allegation that he declined to comment on the report.

Meanwhile, Press Secretary Tomas Gomez is convinced that the newspaper is being used by those who seek to overthrow the government.

[Begin Gomez recording in English] THE PHILIPPINE DAILY INQUIRER, in utter disregard of its responsibilities to its readers, carried a completely baseless story in today's issue that tried to link the Presidential Security Group, PSG, to terrorist activities. The story has nothing to it, not a single fact, yet this paper whose claims to being number one are obviously as false as its reporting, brings it on the front page.

While the Metro Manila press have suffered at late from a tendency to read grim forboding in most news items, the INQUIRER has been consistently among the most frivolous in its handling of the news. The INQUIRER is the chief purveyor of indisputable propaganda, coming from clearly polluted sources which it parcels off as legitimate news. Such action is unquestionably condemnable and a great abuse of a constitutional guarantee to freedom of the press.

We can only pass on to the readers the admonition that if they choose to receive news from an unclean source such as the INQUIRER, their reading of the country's situation would also be messed up. [end recording]

Government Agrees 'in Principle' to Cease-Fire

HK0509055390 Manila THE MANILA CHRONICLE in English 5 Sep 90 pp 1, 8

[By Cherry Velarde and Marites S. Paez]

[Text] Justice Secretary Franklin Drilon said yesterday the government was agreeable in principle to a ceasefire in earthquake-ravaged areas. "The government has agreed in principle for the call for a cessation of hostilities in earthquake-affected areas," said Drilon, who heads the government group discussing the proposed ceasefire.

Though Malacanang officials had said earlier that the peace initiative would only apply initially to communist insurgents, military officials said it might also apply to rightist rebels.

According to the Armed Forces chief of staff, Gen. [General] Renato de Villa, the government had not closed the door to a selective "suspension of hostilities" with rightist rebels, provided they renewed their offer of a ceasefire. He said negotiations were still "possible" though exploratory talks had stopped after the rightists announced they were resuming "tactical operations" against the government.

Rebel soldiers are assumed to be responsible for the bombing of Greenhills Shopping Center on Monday night.

Some military sources said the rightists had renewed their "noise barrage" after the government had rejected their peace feelers.

Yesterday, an underground youth group identified with the rebel YOUNG OFFICERS' UNION [YOU] issued a manifesto calling on students and youth "to take up arms against the Aquino government and to organize armed militias in their schools and communities to resist efforts within the military to seize power for themselves." The mimeographed manifestos, written in Filipino, were circulated inside military camps and a few schools in Manila.

Despite Monday's attack, de Villa said the military did not foresee an escalation of violence from the rightists. "I think it is possibly a continuation of their (rebel soldiers) harassment," he said.

De Villa said he had lifted a nationwide red alert imposed on Monday evening. Instead, military camps throughout the nation are on blue alert. As for the communist rebels, de Villa said that the government was certain to impose conditions before agreeing to any ceasefire with them because it did not want a repeat of the failed truce in 1986. De Villa declined to say what conditions the government might impose, saying, "we want to make sure that they (the communists) are sincere." But Maj. Gen. [Major General] Rodolfo Biazon, the Armed Forces vice chief of staff, said the military might agree to a "limited and selective" truce with the communists, even without requiring the rebels to surrender their weapons. "It was not be very wise for us to even set a precondition, we still do not know what is being offered in the ceasefire," added Biazon.

Cease-Fire Framework Drawn

HK0609055790 Manila THE MANILA CHRONICLE in English 6 Sep 90 pp 1, 6

[By Johanna Son and Manny Mogato with Marites Paez and Redempto Anda]

[Text] A Cabinet team and other officials studying the possibility of a ceasefire yesterday agreed on a broad framework to flesh out in applying a truce to quake-hit areas. Senator Wigberto Tanada said the main questions, to be worked on by a smaller committee, are: definition of a ceasefire, areas it would cover, and a monitoring system, which would include penalties for violations of the truce. The Cabinet Cluster E (national security) formed a six-man panel to draft the ceasefire's mechanics.

But military officials said they wanted four conditions met before any ceasefire was forged: the rebels lay down their arms; "show proof that they respect their unilateral ceasefire calls;" formally notify the President in writing of their intention to have a ceasefire, and acknowledge the Constitution and pursue their agenda within the framework of existing laws.

The conditions were given by Defense Secretary Fidel Ramos in a letter sent to the President. He said "the department feels that a ceasefire without specific preconditions will be exploited by communist insurgents, as well as the (rightist) RAM-SFP [Reform the Armed Forces Movement-Soldiers of the Filipino People] forces, to consolidate their forces and expand their dwindling spheres of influence, while enabling them to launch psychological offensives against the government."

Yestereday, at the Philippine Heart Center, Justice Secretary Franklin Drilon read a joint communique of the Cabinet Cluster E and ceasefire advocates. "A few steps in the peace process have been taken," said the statement by the group, which included the Cabinet security committee, clerics and military officials. "We bred no false hopes but we recognize that a momentum has been generated," the statement added.

The communique said the committee would be composed of Drilon, Tanada, Armed Forces Chief of Staff Gen. [General] Renato de Villa, and Presidential Secretary Edilberto de Jesus, Rep. [Representative] Bonifacio Gillego, and Dr. Ma. Serena Diokno.

It was the second meeting between Cabinet's Cluster E and multisectoral groups advocating a ceasefire with all rebels. Another meeting will be held next week.

Among those who attended the consultation were religious leaders including Bishop Federico Escaler of the Catholic Church, Bishop Estanislao Abainza of the United Church of Christ of the Philippines, Feliciano Carino of the National Council of Churches in the Philippines and a representative of the Congress for People's Agrarian Reform.

The other day, President Aquino said that Government accepted in principle a "local peace process" in quake-affected areas. Seven areas are supposed to have been chosen as pilot areas for local ceasefires. These are the provinces of Abra, Benguet, La Union, Pangasinan, Nueva Ecija, Nuevaq Vizcaya and Metro Manila. Four other provinces are being considered: Ifugao, Kalinga-Apayao, Mountain Province and Quirino.

Tanada said he had gotten calls from parties claiming to represent rightist rebels who said they were willing to hold peace talks. "However we don't know if they are really from the Right," said Tanada.

National Security Adviser Rafael Ileto said the Government preferrede to call the peace process a "suspension of hostilities" rather than a ceasefire, which he said "will be the fruit of future talks."

Malacanang sources said that by negotiating a selective "suspension of hostilities" the Government was avoiding the possibility of including talks on a political settlement with the communists.

NDF Says Government Insincere About Cease-Fire

HK0709072190 Manila DIYARYO FILIPINO in Tagalog 7 Sep 90 pp 1, 7

[By N. Ramirez, E. Reyes, F. Taboy, C. Manansala, and M. Devaras]

[Text] Communist rebels Thursday accused the Aquino government of being insincere about a proposed cease-fire. The National Democratic Front [NDF] also said that while it has always supported "a just and lasting peace," it doubted the sincerity of the government.

"The proposal of the Aquino government shows its insincerity as well as its sidestepping of nationalist measures needed by the country in these times of crisis," the NDF said in its statement.

It further said: "We have to ask the following questions: Will these proposals lead to the dismantling of U.S. military bases in the Philippines and the reassertion of our national sovereignty and dignity? Will these pave the way for a real and meaningful solution of our debt problems...Will they lead to a genuine land reform?"

Meanwhile, Secretary Fidel Ramos of National Defense yesterday expressed strong opposition to a proposed "cease-fire between the Armed Forces and rebel soldiers as well as communist rebels, even if this was the only solution of the government to peace in the country and to the economic and political crisis as well."

Speaking at the forum "Talk to the Broadcasters" in Quezon City, Ramos said that the soldiers of the Philippines are opposed to the cease-fire proposal even on a selective basis. He explained that if the government wanted to have lasting peace in the country, it should not stop government soldiers from fighting the rebels. Peace can only prevail through use of force in the provinces.

It was hard to win over the rebel soldiers and communist rebels through talks only and force was necessary with them, Ramos added.

Ramos also said that he disagrees with the use of the word "cease-fire" as understood under international law, where only combat troops or political parties are covered. The Communist Party of the Philippines and their like do not allegedly fall under this category. He stressed that if the legal basis of the term "cease-fire" were applied, rebel soldiers and communist rebels may not abide by it, while government troopers would be forced to observe a cease-fire.

Two days ago, the Armed Forces of the Philippines announced that the communist and rightist rebels should first surrender their arms and recognize the Constitution as a precondition for a new cease- fire.

At the same time, officials met last Wednesday to decide whether to offer a limited cease-fire to communist rebels.

The MANILA TIMES reported that the Department of National Defense has drawn up four conditions for

implementation of a cease-fire. They are as follows: The rebels should make a demand through a written letter to the authorities; they should demonstrate their sincerity; they should declare their support for the Constitution; and they should surrender their arms.

At the second session of the Peace Committee last Wednesday, the committee reported that a proposal to offer a limited cease-fire with rebels based in Metro Manila and in areas affected by the 16 July earthquake has been approved "in principle." It added further that President Aquino was "interested in the initiative," and had ordered Department of Justice (DOJ) Secretary Franklin Drilon to hold more detailed discussions.

Yesterday, Senator Aquilino Pimentel said that there was very little chance for a cease-fire if the military insisted on their conditions. Pimentel stressed that there should be no prior conditions and that the peace talks should be allowed to progress at their own pace.

He said, "Let the issues in the talks surface...After all that has been done and they had been unable to talk the rebel leaders into surrendering, the best alternative would be for everyone to agree to a cease-fire and then begin the talks."

Meanwhile, Senator Wigberto Tanada proposed that the government study the possibility of a cease-fire with various rebel groups. He said such a move would be helpful in countering threats from the said groups.

"Studies being carried out at present are not limited to the cease-fire only," Tanada said. "This is part of a larger process that we hope will lead to a just and lasting peace for our country."

In related matters, two government officials have expressed skepticism over the success of a cease-fire.

Department of Local Governments (DLG) Secretary Luis Santos said: "If there is no sincerity on the part of those who want a cease-fire, it is impossible to have peace." He further added that there have been several cases in the country where the rebels only took advantage of a cease-fire to strengthen their forces.

On the other hand, Senator Maceda said that he wants to hear an announcement from the rebel leaders stating their desire for a cease-fire. He said, "If they (the rebels) will not come out and say that they want a cease-fire, we are just wasting our time."

CPP-Southern Tagalog Leader Slain in Lipa

HK0709033690 Manila MANILA BULLETIN in English 7 Sep 90 p 5

[By Owen Masaganda]

[Excerpt] Rosario, Batangas—A member of the executive committee of the Communist Party of the Philippines and its military arm the New People's Army (CPP-NPA) for Southern Tagalog and assigned in Batangas, operating in the tri-boundary of Quezon-Laguna-Batangas was killed together with his assistant in an encounter in barangay San Francisco, Lipa City, last Sunday.

Lt. Col. [Lieutenant Colonel] Rogelio S. Regalado, Batangas Constabulary chief, in a report to Brig. Gen. [Brigadier General] Evaristo G. Carino, Recom [Regional Command] 4 PC-INP [Philippine Constabulary-Integrated National Police] chief, said that he formed a team from elements of the 217th and 217th PC companies under Capts. [Captains] Luisito Palmera and Danilo Siongco, respectively, and a couple of policemen from Padre Garcia.

The team headed by Capt. Edgardo Quimio with the 41st ISG [expansion unknown] of the Army took advantage of heavy rains.

Colonel Regalado reported that the NPA rebels were holding a conference in a house when Captain Quimio announced that they were encircled and advised them to surrender. Instead the rebels jumped out of the window and fired at the troopers who returned fire, killing two rebels.

Killed was Eduardo Dagle, alias "Ka [Comrade] Gardo," secretary-general of "Samahang Militar Sangay" [military arm organization] equivalent to a company commander in the military roster. Ka Gardo, Col. Regalado said, is also the chief of "Samahang Yunit Pangpropananda" [propaganda unit] Jelmon unit of the CPP-NPA. Also killed was Dagle's assistant identified as Regalado Custodio alias "Ka Rico."

Two children in the house where the rebels were hiding were hit by stray bullets but Colonel Regalado said their wounds were not serious. They were confined in the Lipa City hospital. The father, Felipe Sarol, was held for questioning on why the rebels were in his house.

Captain Palmera said the group of Dagle was with Gregorio Rosal, alias "Ka Roger," chief of the Melito Glor command, and Wenceslao Regencia, who was captured by men of the Quezon PC commander Col. Ferdinand Lagman in San Pablo City when they raided the Fortune cement factory in Taysan, Batangas, on Aug. 2, 1987. Thousands of dynamite sticks were seized in this raid. [passage omitted]

Clash With Renegade Soldiers, Casualties Noted

HK0709033090 Manila THE MANILA CHRONICLE in English 7 Sep 90 p 6

[By staff member Noli Cabantug]

[Text] Government forces suffered nine dead and 25 wounded since they started the campaign to flush out renegade Army Col. [Colonel] Alexander Noble and his supporters from their stronghold in the Agusan del Sur highlands.

Defense Secretary Fidel Ramos told a press conference at Camp Aguinaldo yesterday that four were killed in an ambush as the soldiers were advancing last Tuesday toward Barangay Salud in Esperanza town where Noble and his men are holed up.

In that same encounter, soldiers also killed eight of Noble's supporters besides wounding several others, Ramos said quoting a radio report from the Army's 14th Infantry Division. Despite the encounter, Ramos said the "door is still open" for Noble and his men to surrender.

Most of those killed were hit by mortar and sniper fire from the rebels who are employing guerrilla tactics to delay the advance of the government forces, the report said.

The military launched Operation Highlander last Aug. 17 to capture Noble and his men. Noble's supporters number about 300, mostly members of the Higaonon tribe in Agusan, and about two Cafgu (Civilian Armed Force Geographical Unit) companies which the renegade officer had organized when he was assigned to the 41st Infantry Division in Esperanza, the military said.

Slain in last Tuesday's ambush were Army Cpl. [Corporal] Elizardo Caniete, Marine Sgt. Danila Quirot, C2C [Constable Second Class] Jolito Ungeoy and Army Cpl. Muner Sosolan.

The other fatalities were identified as Cpl. Dennis Pagayon, Sgt. [Sergeant] Pablito Fabe, and Pfcs, [Private First Class] Alger Hadman, Jovie Dalde and Virgilio Quiamzon, all of the Army.

Ramos also told the press conference the military did not have an official count of the evacuees from four towns being cleared by soldiers as part of Operation Highlander. He added, however, that the number of refugees "appears to be diminishing from the original 8,000 at the start of the operation."

Last week, the health department office in Esperanza estimated there were about 10,000 evacuees, mostly children from the upland barangay where the operation is concentrated.

Operation Said Succeeding

HK0409101790 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 4 Sep 90

[Text] The government blockade against renegade Colonel Alexander Noble, who has holed himself up in Agusan del Sur, is reportedly succeeding. According to a report supplies of food, medicine, and ammunition cannot reach him. It was also reported that he has only a handful of supporters left. Military officials in charge of the operation against Noble, said that they can recover the hideout of the rebel official in a few days time. Some soldiers are hoping that Noble will voluntarily surrender.

Meanwhile, one of Noble's followers surrendered to the authorities of the PC-INP [Philippine Constabulary-Integrated National Police] Recom [Regional Command] 10 Special Action Force. He was identified as Bernabe Ibale, former member of the Cafgu [Citizen Armed Forces Geographical Unit] from barrio Maliwanag, Esperanza Town. He is presently undergoing tactical interrogation.

International Monetary Fund Review Deferred

HK0609052090 Manila BUSINESS WORLD in English 6 Sep 90 pp 1, 6

[By Christina Sotelo]

[Text] The accelerated disbursement of the third tranche of the $715-million new money bonds equal to $118 million will not come about this month as earlier pledged by the country's commercial creditor banks. The reason: the economy has fallen off-track in the prescribed economic targets agreed with the International Monetary Fund (IMF).

One of the structural reforms agreed with the IMF under the country's memorandum on economic policy (MEP), Executive Order [EO] No. 413, failed to come through as scheduled on Sept. 1. Failure to implement the measure, calling for the liberalization of the existing tariff schedule, was fingered as the culprit for the refusal of the banks to release the third tranche of the new money by the end of this month.

Finance Secretary Jesus P. Estanislao told newsmen that the semestral review with an IMF panel this month has been deferred since the Government failed to implement EO 413. "It is quite clear that the money won't be released this month since it is tied to the program review; there is no program review this coming September 15 so, the conclusion is that we won't have the money," Sec. Estanislao said.

Central Bank Governor Jose L. Cuisia, Jr. also told Business World that the economy was off target pointing to the base money level which was above the prescribed ceiling and widening budgetary deficit seen to hit P [peso] 42 billion by yearend, above the earlier target of P38 billion. He said the figures were not available.

Mr Estanislao explained that the higher expenditure of Government agencies were so efficient in spending money whereas for all these years we have had this problem of absorptive capacity. He said he has instructed the Department of Finance and the Department of Budget and Management [DBM] to come up with a package that will generate P7.5 billion in additional revenues and savings.

First Time

For his part, DBM secretary Guillermo Carague said this is the first time that Government expenditure rose abruptly to P24 billion above the P17 billion target for

the first seven months due to acceleration of cash utilization by the Government agencies in June and July but it tapered down last August.

He noted that the mandated 10% savings for all Government agencies this year didn't actually generate savings since the amount was used to pay off the wage ncrease arising from the salary standardization policy.

The cost of the salary standardization policy was double the amount of reserves intended for it so we have to generate savings to cover for the reserves shortfall, Mr Carague further explained. "So, nawala din ang 10% reserve na iyon [that 10 percent reserve was lost, too] which amounted to P7 billion dahil mas mataas na rin ang [because of the higher] basis for computation of the retirement benefits which we paid out," he also said.

"We plan to save P1 billion to P2 billion for the remainder of this year from the agencies of the National Government on top of the 10% mandated savings. These will constitute real savings since we won't use it to pay off the salary hike due to the standardization policy," he further stressed.

Increased Budget Deficit

The shift from the New Disbursement Scheme (NDS) to the current Modified Disbursement Scheme (MDS) caused the budgetary deficit of the National Government [NG] to rise by an estimated P900 million, Mr Carague said. That shift from NDS to MDS reduced (GFIs) to a yearly average of P5 billion from the previous year's P8 billion. This was also blamed for the excess liquidity now in the system. Mr Carague also said the increased budget deficit was due to the higher spending for the infrastructure projects that is why we do not know whether we should be happy or not. He said he will pose no objection to Government's plan to shift the tax burden from the oil sector to the non-oil sector to lessen the impact on prices of the impending oil industry deregulation.

Oil Price Increase

Mr Carague said he has pushed for the early implementation of the oil price hike estimated at P2.50 to P3.00 per liter, noting that it should have been implemented now. He said, however, the Energy Regulatory Board has blocked DBM's proposal noting that the oil companies have not petitioned for an oil price hike yet. The sooner we realize the seriousness of the situation the better we should act accordingly, Mr Carague said.

The NG's budgetary deficit as of end of last July stood at P24 billion above the original target of P17 billion. By yearend, the amount is not expected to vary substantially from P24 billion, Mr Carague said, because oil revenues are coming in.

Mr Carague described the slippage on the public sector borrowing requirement as not as bad ad the NG's budgetary deficit and the deficit of the other agencies.

The hanging status of the oil price deregulation policy has also left the National Economic and Development Authority (NEDA) groping for the scenarios upon which to base the projections on the growth of the gross national product.

NEDA officials said the GNP target recently revised at 3.8% under the best case scenario will have to be revised again in the light of the prolonged Middle East crisis, which is expected to wipe out the oil supply to the country in case the fighting spills into Saudi Arabia.

Secretary on Ways To Avert Economic Collapse

HK0709033890 Manila THE MANILA CHRONICLE in English 7 Sep 90 pp 1, 12

[Text] President Aquino and her Cabinet advisers, admitting the economy was drifting, has identified six issues requiring "very clear decisions" if economic collapse is to be avoided.

According to Finance Secretary Jesus Estanislao, these are:

Government subsidy—from P [peso] 1.2 billion to P1.5 billion a month—to hold local oil prices down: containing it would further bloat the budget deficit (P23.8 billion as of July 22); Inflation: it has remained at the two-digit level and could spiral, again as a result of the budget deficit; Tight money: aggravated by "unjust" speculation in the financial market; When to implement tax reform package that shifts the tax burden from the poor to the rich; When and how to lower tariff rates withotu antagonizing local business and causing a serious drop in government revenue; and Dwindling foreign investments: how to improve the business climate.

In a two-hour meeting yesterday, the President complained of "a sense of drift" in the economy.

As the finance chief said: "There's a lot of speculation in the financial markets, interest rates have gone up, and there's a lot of speculation in the foreign-exchange market which are not based on market realities."

"The immediate task at hand is to come out with very clear decisions on some very key points of the economy so that we stop all these speculations," Estanislao said. He favored taking away subsidy and lifting price restrictions on oil and urged tax reforms. Imports must be liberalized and investment laws relaxed, he said. The implementation of these measures, long proposed by Estanislao and already adopted as State policies, has been delayed because of congressional opposition.

The government is willing to go through "the process of congressional hearings and the like," he said. "We are dealing with a process where, of course, everybody has a right to speak his or her mind and we have to respect that right. But in the end a decision has to be made... that's the task of the Executive." Estanislao has been pushing for the measures apparently in preparation for a meeting

this weekend with the International Monetary Fund representatives in San Francisco.

The IMF has questioned the delays in the implementation of the fiscal and monetary reforms that it wants to see before it decides whether to grant the country relief from debt payments or further loans.

Estanislao is expected to meet this morning with Mrs Aquino before flying to San Francisco.

Slight Decrease in Inflation Rate Reported

HK0509044390 Manila BUSINESS WORLD in English 5 Sep 90 pp 1, 5

[By Liza A. Solano]

[Text] Prices of basic goods and services generally went up last August albeit at a slower rate than in July.

According to the NATIONAL STATISTICS OFFICE [NSO], the inflation rate dropped to 11.1% last month compared to 12.6% in July.

Prices of major commodities, particularly food, beverages and tobacco, did not increase as much in August as it did in the previous month. As a result, the Consumer Price Index (CPI) went up by only 0.3% to 502.2 last month from 500.6 in July.

Earlier, Finance Secretary Jesus Estanislao predicted that the expected increase in oil prices would push the CPI to an annual projected average of about 14.5% (BUSINESS WORLD, August 22) this year.

Metro Manila and areas damaged by the recent killer earthquake experienced the highest inflation rates in August.

Prices rose at an average of 15.4% in Metro Manila, 15% in Cagayan Valley, 13.2% in the Cordillera Administrative Region (CAR), and 12.1% in Ilocos.

On a monthly basis, NSO said, inflation rates of all regions in Luzon exceeded the national rate while those in the Visayas and Mindanao were below it.

Compared to price increases in August 1989, the present rates are generally lower. Only Metro Manila displayed an inflation rate higher by 5.2% than a year ago.

NSO, however, noted that while the indices of clothing, miscellaneous goods, housing and repairs, and fuel, light and water for Metro Manila registered substantial growths, these were offset by relatively minimal increases in the heavily weighted food, beverages and tobacco index.

The inflation rate, as a result, was lower at 15.4% last month compared to 16.5% in July.

The fuel, light and water index went up by 0.5% to 0.8% in August this year from that of July and by 22.7% to 26.9% from the August 1989 index. The cost of firewood in the provinces grew during the onslaught of the rainy season. Electricity and water charges also went up due to the increase in the currency exchange rate adjustment or CERA.

Rental rates in Metro Manila rose last month by 1.6% from July and 25.2% from August 1989. The national index increased by 0.6% from July and 13.7% from last year.

On the other hand, the food, beverages and tobacco index went up only slightly by 0.1% to 0.2% last August compared to July's 1.7% to 2.9%. Inadequate supply in some parts of the country pushed up prices of food products.

NSO observed that rice was more expensive in Metro Manila, Western Visayas, Central Mindanao and Central Visayas because of low supply. Prices of corn grits also went up in Luzon but were lower in the Visayas and Mindanao where the harvest season has begun.

Fish, likewise, fetched higher prices especially in Metro Manila, Western Mindanao, Cagayan Valley, Central and Western Visayas, and CAR. The catch was low due to unfavorable weather conditions.

In the meantime, prices of most vegetables were lower in Metro Manila, with abundant supply coming from the Bicol region and Nueva Vizcaya. Prices of vegetables also dropped in Western Visayas, Northern and Southern Mindanao, Cagayan Valley, and CAR. However, areas being supplied by Baguio experienced higher prices due to increased transportation and handling cost. Several roads to the quake-stricken city were either difficult to negotiate or not passable.

Prices of darily products—butter, cheese, milk, eggs, and dressed and live chickens—also went up in some areas.

Thailand

Government Supports U.S. Talks With Phnom Penh

BK0609144890 Bangkok Army Television Channel 5 in Thai 1310 GMT 6 Sep 90

[Text] At about 1800 today, acting on orders from Prime Minister General Chatchai Chunhawan, government spokesman Suwit Yotmani held a news conference to report about an important issue.

Suwit said there is good news from the United States: U.S. Secretary of State Mr. James Baker has successfully contacted Hun Sen. This is considered a positive development for Cambodia. Thailand has reaffirmed its support for the progress.

[Begin Suwit recording in progress] The United States will then be able to explain to the Heng Samrin regime the proposals of the five permanent members of the UN Security Council on the Cambodian peace process. On behalf of the Thai Government, Prime Minister General Chatchai Chunhawan ruled that this is a correct move

and he therefore assigned me to announce that the Thai Government supports the move.

According to the latest information received, all the Cambodian factions, and especially Prince Sihanouk and Hun Sen, will travel to Jakarta to attend the meeting of the four Cambodian factions. It could be regarded as a successful step in the work carried out by Indonesian Foreign Minister Mr. Ali Alatas. [end recording]

Chatchai Welcomes Cambodian Factions' Talks

BK0609134690 Bangkok Domestic Service in Thai 1200 GMT 6 Sep 90

[Text] Prime Minister General Chatchai Chunhawan granted an interview to newsmen at the National Defense College this morning. He said that he was confident the draft budget bill for fiscal 1991 would pass the final readings at the House of Representatives, or otherwise the government would have no money to implement national development projects. He expected some 200 votes of support from MP's for the draft budget bill.

Asked about the meeting of the four Cambodian factions, the prime minister said he is happy at the news that the Cambodian factions would sit down for talks. He said all the Cambodian factions should cooperate with one another, otherwise other countries who try to help them will get bored. Asked what the administration in Cambodia should be like, he said the supreme national council should be formed with Prince Sihanouk as president.

Asked whether he would continue to seek service from General Chawalit Yongchaiyut in efforts to find a settlement in Cambodia, the prime minister said he always consults with Gen. Chawalit Yongchaiyut on the matter.

Chawalit on Solomon Meeting, Jakarta Meeting

BK0609043890 Bangkok MATICHON in Thai 6 Sep 90 p 24

[Text] Former Deputy Prime Minister General Chawalit Yongchaiyut said he believes there is a way to achieve a negotiated settlement of the Cambodian problem. He said that on 4 September U.S. Assistant Secretary of State for East Asian and Pacific Affairs Richard Solomon called on him to exchange views on the Cambodian problem. He explained to Solomon that he had been distant from the Cambodian issue and currently has no involvement in it in any capacity.

Regarding problems which might affect the Jakarta meeting, Gen. Chawalit urged patience, noting that Hun Sen and leaders of other Cambodian factions had written to him about what they wanted and that their conditions worried him. He has already forwarded the information to the Foreign Ministry and the prime minister's advisory team. Gen. Chawalit said: "With patience the Cambodian problem will not be too difficult to tackle. The remarks made public by various factions amount to their bargaining ploys. I do not want to say whether the Jakarta meeting will materialize, but I am confident that there must be a way to bring every faction to the meeting."

Joint Venture Oil Company Set Up With PRC

BK3108153590 Bangkok LAK THAI in Thai 20-26 Aug 90 p 18

[Excerpt] [passage omitted] In an exclusive interview to a LAK THAI reporter at the Ambassador Hotel on 16 August, Deputy Interior Minister Watthana Atsawahem disclosed that he had sought direct negotiations with the Chinese Government on a possibility of a Thai-Chinese joint venture to set up a Chinese oil refinery in Thailand. He said that China has a very high potential in oil production because it has its own oil wells. In the past when there was a shortage of oil supply from members of OPEC, Thailand used to buy it from China. Minister Watthana said the negotiations were successful. As a result, an oil company has been set up under the name of Charoen Mankhong Oil Company. It is expected that oil from the company will be available at gas stations by the end of this year. According to the plans, at least one gas station will be set up in each province throughout the country. The first gas station to begin operations will be located in the province of Samut Prakan, which is the minister's home town. To facilitate oil transporting and refuelling, the station will be located on the route leading to Bangkok, he concluded. [passage omitted]

Gulf Crisis Prompts Move to Monetarist Policy

BK0409060090 Bangkok THE NATION in English 4 Sep 90 pp A1, A2

[By Sam-ang Witthisaksathit and Usani Wongsawat]

[Text] The government yesterday agreed to place top priority on maintaining monetary stability out of concern that the high world oil prices caused by the Gulf crisis may worsen trade and current account deficits, affecting the country's financial standing in international economic relations. The move is generally seen as a cautious response to the effects of the Middle East situation on the country's economy and a shift of emphasis from the growth-led economic policy, adopted in the past two years.

In an extensive debate on the world and domestic oil situation as a result of the Gulf crisis, the Council of Economic Ministers agreed to adopt a cautious economic policy to reduce inflation, allowing foreign exchange and interest rates to move according to the market forces and adopt minimal intervention in the stock exchange. The strategies, presented by the National Economic and Social Development Board (NESDB), are aimed at allowing the economy to adjust to the new economic environment as soon as possible and ease adverse impacts on the country's financial system.

Yesterday's deliberation ended two years of growth-led economy policy which has been the hallmark of the Chatchai government.

The policy announcement also appears in line with the appointment of Wiraphongs Ramangkun as the new finance minister. Wiraphong is generally known as an "austerity economist." Oil prices have been rising rapidly since early last month from $18 per barrel before Iraq invaded Kuwait to more than $30 before dropping back slightly to about $25-27 per barrel last week. The Cabinet will continue the debate on the oil situation today to find measures to conserve energy and oil which would help ease price impacts on the public.

An NESDB source ruled out adjustment in domestic retail oil prices this month as there are sufficient funds in the Oil Fund, a subsidizing vehicle. The adjustment through the new retail price formula is now expected to take effect in October at no more than 30 stang per litre in each round of increase.

The Bank of Thailand yesterday proposed to the economic ministers that the controversial value-added tax should be introduced as soon as possible to cushion the inflationary impact through reduction in duplicated taxes in the present business tax system, Deputy Finance Minister Niphon Phromphan said. He quoted Prime Minister Chatchai Chunhawan as saying that the government would try to lower its dependency on energy imports from 60 per cent to 40 per cent.

The Council of Economic Ministers also agreed to adopt price control on goods and services only as a temporary measure during the oil price hike but to rely on fiscal and monetary measures to control inflation.

Officials including NESDB Secretary General Phisit Phakkasem expressed confidence that the Thai economy would be able to weather the third oil shock better than the first two oil shocks, in the 1970s. They agreed that if oil prices settle around $20-25 the Thai economy would emerge unaffected. "But if there is war the oil prices will hit the roof and not just Thailand but all countries would be affected," one official said. The export sector would continue to get support from the government, he said.

NESDB has predicted that the growth rate of the economy this year would be reduced by 0.6 per cent to 9.4 per cent should the world oil price hit $30 per barrel and 7.4 per cent in 1991 The inflation rate would average seven per cent this year and the next.

The Bank of Thailand, the Finance Ministry, the Commerce Ministry, the Budget Bureau and NESDB were instructed to jointly come up with a contingency plan should world oil prices rise to more than $30 per barrel.

The following energy conservation measures, raised in the Council of Economic Ministers meeting yesterday, are expected to be further debated by the Cabinet today. They are:

—Promotion of alternative fuels such as coal for electricity generating and cement plants by building a coal port and reducing the import duties on coal from 25 per cent to 10 per cent;
—Dismantling obstacles and improving the agencies' ability to source oil by amending regulations on diesel oil imports or lifting its control. Set import prices of finished oil products in line with changing world oil prices;
—Raise the minimum mandatory oil reserves;
—Speed up conservation measures by shutting down lights on night advertisements as a temporary measure until the retail oil prices have been adjusted;
—Boost both onshore and offshore natural gas production and raise the level of condensate which can be refined locally. Speed up invitations for investors to explore and develop potential petroleum sites.

Bank Governor Recommends 'Stable Growth' Policy

BK3008033790 Bangkok BANGKOK POST in English 30 Aug 90 p 17

[Excerpt] The Bank of Thailand recommends the Government to implement economic policies aimed at stable growth to cope with higher oil prices.

Newly-appointed Finance Minister Wiraphong Ramangkun has promised to give the bank "definitely a free hand" in handling monetary policies without his intervention in any form, Bank of Thailand Governor Chawalit Thanachanan said yesterday. Mr Chawalit said as world oil prices have risen, the Government should not concentrate on fully expanding the economy as earlier planned. "The Government should trim its growth projection from 9.5 percent next year to 8.5 percent. It can do this by being more prudent in spending. This will help stabilise the country's economy.

To be in line with such fiscal policy, the Bank of Thailand will maintain liquidity of money supply in the market. "The central bank will maintain liquidity in the money market so it will not be too tight." Interest rates, at the same time, will be maintained at current levels. "They should not be allowed to go higher. If there is pressure on interest rates, the Bank of Thailand will inject money into the market to reduce the pressure."

He said if the Government continues to fully expand the economy, the country will face heavy inflationary pressure trigged by higher oil prices.

However, policies the Government chooses to cope with the situation will be based on its assessment of the oil price impact on the economy. "It will be the very first job to be handled by the new finance minister," he said.

The other urgent job for Dr Wiraphong is presentation of the 1991 fiscal budget before Parliament. The 385,000-million-baht budget bill sailed through the first reading of Parliament while Pramuan Saphawasu was Finance Minister. The second and third readings are scheduled to be on a special parliamentary session starting on September 5. [passage omitted]

Parliament President Comments on Reshuffle

BK3108031790 Bangkok BANGKOK POST in English 31 Aug 90 p 3

[Text] Parliament President Wan Chansu said yesterday the recent Cabinet reshuffle was "well done" by Prime Minister Chatchai Chunhawan though someone may be dissatisfied with it.

Mr Wan, who met Gen [General] Chatchai "by chance" and lunched together at Dusit Thani Hotel yesterday, said most people and politicians have been satisfied with the new Cabinet lineup with only a few groups disgruntled. "There are more than 300 MPs [members of parliament]. Whatever is done (by the Prime Minister) would satisfy as well as dissatisfy some of them. the point is the shakeup must satisfy the majority of the MPs and the people," he said.

His remark followed reports that some Chat Thai Party MPs have complained over "unfair" allocations of the Cabinet seats among party executives and would be moving for a House dissolution.

Sources said some party factions would seek to replace party leader Gen Chatchai with Maj-Gen [Major General] [as published] Praman Adireksan, who is the chairman of the party's advisory board and industry minister. "(Pol Gen [Police General] Praman) replacing me? That's fine. I'd take a rest," Gen Chatchai said smiling when asked to comment on the possibility that, the party's advisory chief might take over the party's leadership from him. But the Prime Minister added there would not be such moves which he had never heard of.

The Parliament President, who is also Senate Speaker, told reporters to ask House Speaker Pancha Kesonthong, instead of him, about moves of any Chat Thai factions for a House dissolution or change in party leadership, following the Cabinet reshuffle. He said he could not give any comment on such issues in order to maintain his political etiquette.

Mr Wan said the new Cabinet should be given chances to show its ability. "Don't focus only on the corruption issue. The most important duty of the government is to make the people live a better life," he said.

The Parliament President said he did not think the Prime Minister would either dissolve the House or resign because that is not the right solution to any political problem. "Dissolving the House or resigning does not solve any problem but worsen it," Mr Wan said.

He said he did not believe there would be any anti-democracy movement being hatched up anywhere and said no other rule has been found to be better than the democracy by far.

Mr Wan denied he had discussed political matters with the Prime Minister at lunch, be it the Cabinet reshuffle and the House dissolution, or the 1991 Budget Bill, which will enter an extra House session on September 5.

Mr Wan said two of the three non-MP ministers should not be called "outsiders" because they had been senators before. He referred to newly-appointed Finance Minister Wiraphong Ramangkun and Deputy Interior Minister Wasit Detkunchon. The other non-MP minister is Commerce Minister Amaret Sila-on. The Constitution allows not only senators but anyone else to be appointed Cabinet members.

Chatchai Answers Party Dissidents on Reshuffle

BK0109034690 Bangkok BANGKOK POST in English 1 Sep 90 p 3

[Text] Prime Minister Chatchai Chunhawan yesterday foiled Chat Thai Party dissidents' attempt to grill him over Monday's Cabinet shakeup by seizing the first opportunity to give his rationale for making the sweeping reshuffle without consulting his party first.

Party spokesman Prathuang Wichanpricha told a news conference called after yesterday's Chat Thai caucus that Gen [General] Chatchai cited economic needs and the sentiments of the public and the press to justify his action. Gen Chatchai told the party meeting that the SET [Securities Exchange of Thailand] index plunge following the Gulf crisis sparked by Iraq's invasion of Kuwait might prompt foreign investors to take their money and run back home, the spokesman said. To reverse the trend and save the situation it was necessary to solve the political problem fast, Gen Chatchai told the meeting.

Chat Thai secretary-general Banhan Sinlapa-acha said 85 out of 97 party MPs [members of parliament] were satisfied with the Prime Minister's clarification. "I assure that there is no split in the party. I challenge you press people to ask any of our members if he feels there is a split in the party," said Interior Minister Banhan.

He said the meeting was also pleased with Gen Chatchai's explanation about the inclusion of three non-elected persons in the Cabinet. "The Prime Minister asked party members to give the three one month to prove themselves before criticising them," Mr Banhan said.

Mr Banhan said more Cabinet reshuffles were possible but insisted that there would be no dissolution of Parliament. He contended that the Government's image had improved following the Cabinet shakeup.

He also assured that all Chat Thai MPs would support the Budget Bill in its second and final readings next month.

Deputy Prime Minister Pramuan Saphawasu and Sa-at Piyawan, leader of the dissident Justice faction were conspicuously absent from yesterday's three-hour caucus.

Earlier yesterday morning, about 15 MPs in the Justice faction met at the house of Mr Sa-at for two hours. Two of the dissidents Chanchai Phromsakha na Sakhon Nakhon and Kittisak Hatthasongkhro later told reporters there was conflict in the party. Claiming that there were several other factions in the party, Mr Chanchai said his faction had no intention of breaking away

from the party. The dissidents later in the afternoon called on Industry Minister Praman Adireksan, leader of another dissident faction in the Chat Thai Party.

Cabinet Approves Pramuan Appointment, Others

BK0209022590 Bangkok BANGKOK POST in English 2 Sep 90 p 3

[Text] The Cabinet has approved in principle the appointment of former finance minister Pramuan Saphawasu as first deputy prime minister who will replace the prime minister if the latter is disabled or unable to do his duty. After Mr Pramuan, the next in line are Thongyot Chittawira, Maj-Gen [Major General] Sanan Kachonprasat, Gen [General] Mana Rattanakoset and Gen Athit Kamlang-ek in that order.

Other appointments approved by the Cabinet on Friday were:

—Withun Saengsingkaeo, deputy director-general of the Medical Science Department, to be deputy permanent secretary of the Public Health Ministry, replacing Dr Hathai Chittanon, who is due to retire at the end of September.
—Aphirat Arunin, deputy permanent secretary of the Science and Energy Ministry, to be secretary-general of the National Research Commission.
—Suchat Mongkhonphan, secretary-general of the Office of Atomic Energy for Peace, to be deputy permanent secretary of the Science and Energy Ministry.
—Pakit Kirawanit, deputy perment secretary of the Science and Energy Ministry, to be secretary-general of the Office of Atomic Energy for Peace.
—Prathet Sutabut, deputy secretary-general of the National Energy Administration, to be deputy permanent secretary of the Science and Energy Ministry.
—Pracha Em-on to have his term as the secretary-general of the Office of Food and Drug Administration extended for another year starting from October 1.

Social Security Bill Endorsed, Made Law

BK0109050890 Bangkok THE NATION in English 1 Sep 90 p A3

[Text] A bill aimed to create Thailand's first social security system becomes law tomorrow, Labour Department Deputy Director General Umphon Chulananon said yesterday. Umphon said the bill has already been endorsed by His Majesty the King and will be announced in the Royal Gazette today.

The deputy labour chief said employers across the country must complete forms with information about the number of workers they have and the workers' salaries and return them to the department by Oct 2. She said her department had already distributed forms to employers for their workers to apply for protection under the system.

The Social Security Act stipulates that employees must contribute 1.5 percent of their salaries to a central fund to finance the social security system. Employers and the government must match the amount put in by workers.

Umphon said contributions to the central fund will start next March with the money being transferred to the Social Security Bureau in the middle of the following month, she said. For the first six years the social security fund will provide compensation to workers in case of illness and accidents that occur during and outside working hours, maternity leave, disability, and death.

Chinese Suspect Arrested With 2.5 Kg of Heroin

BK3108014790 Bangkok BANGKOK POST in English 31 Aug 90 p 7

[Text] Chiang Mai—A Chinese Haw [ethnic group] was arrested here yesterday on a charge of possessing some 2.5 kg of high-grade heroin with intent to sell. Police identified the suspect as Ngaochai Sinkao, alias Law Chaw, 41, whom police had long suspected of involvement in the drug trade, but were unable to act against because of a lack of substantive evidence.

Following a tip-off that an amount of heroin would be transported from the Thai-Burmese border in Mae Hong Son to the provincial capital here, a combined team of officials from the Border Patrol Police and the Office of the Narcotics Control Board [ONCB] kept watch on all roads leading into the city, but failed to locate any suspicious vehicles. They were later tipped off that the drug had already been delivered to Ngaochai's house on Patan Road in Muang District, believed to serve as a secret heroin storage for wholesale and retail activities. The place reportedly also sold heroin to foreign tourists.

An initial search of the house failed to produce any heroin. However, officials later spotted bags allegedly containing over 2.5 kg of heroin hidden inside the fences. Most of the grade four heroin was packed into six sticks, while the rest was in powered form.

Vietnam

Envoy on East Europe, U.S. Soldiers, PRC Ties

AU0409082590 Sofia OTECHESTVEN VESTNIK in Bulgarian 1 Sep 90 p 5

[Interview with Vietnamese Ambassador Nguyen Tien Thong by Maria Netsova; place and date not given: "Vietnam's Specific Situation"]

[Excerpt] [passage omitted] [Netsova] What do you think of the current changes in Eastern European countries?

[Nguyen Tien Thong] We respect the changes in Eastern Europe, but we regard them as internal affairs of the relevant countries. We would like to pursue our relations of friendship and cooperation with the Eastern European countries, and not only with them. Only a few thousand Vietnamese workers have remained in the Eastern European countries and they are expected to return to

Vietnam. We have difficulties in connection with providing jobs for the people of working age. However, we shall find a way to resolve this question—perhaps in the spirit of our popular saying: "If you manage to subsist on a small amount of food, you can also learn how to keep warm with a small blanket."

[Netsova] Can you describe the changes occurred in Bulgarian-Vietnamese relations over the last years?

[Nguyen Tien Thong] In 1990 the exchange of goods between our country and Bulgaria doubled in comparison with 1989. Direct links were established between Vietnamese and Bulgarian producers in the silk-worm industry, in the production of rubber, coffee, jute, and oil producing plants. All Vietnamese workers are expected to leave your country by 1992. Agreements should be strictly observed.

I asked my interviewee whether the Western countries are expected to withdraw their blockade against Vietnam, considering that the chief condition has been observed, namely that the Vietnamese troops have withdrawn from Cambodia. According to Mr. Nguyen, relations between Vietnam and the Western countries are developing favorably, and by May 1990 alone, nearly 30 Asian and European countries have invested capital worth over $ 1 billion in the Vietnamese economy.

[Netsova] Relations between Vietnam and the United States have recently intensified. Under what conditions and at what time could the interrupted diplomatic relations between the two countries be resumed?

[Nguyen Tien Thong] Sooner, or later, Vietnam and the United States are expected to normalize their relations. We confirm that not even one living U.S. soldier is still detained on our territory. As far as the search for their mortal remains is concerned, it is difficult, considering that the majority of them perished in aircraft, or in the jungle, but the joint investigations are, nonetheless, pursued.

[Netsova] It is evident that the present relations between Hanoi and Beijing are far from that image of inseparability, "inseparable like lips and teeth." Some teeth fell out during the 1979 conflict, but it seems that Beijing has not entirely revised its approach to its former "younger brother in the South."

[Nguyen Tien Thong] I think that your question is not entirely correct. Vietnam and China are two neighbor countries whose peoples are linked to each other by long-standing traditional friendship. Vietnam already expressed its desire for a normalization of its relations with China. We are confident that the differences in our stands will be gradually smoothed out until they reach a permanent state of normalization. As far as the Cambodian problem is concerned, the solution of this difficult problem does not depend on Vietnam. The path of negotiations is the only possible method for this solution.

Hanoi International Reviews U.S. Relations

BK0709092290 Hanoi International Service in English 1000 GMT 6 Sep 90

[Station "Review of Developments in Vietnam-U.S. Relations"]

[Text] Vietnam and the United States have no official relations over the past years but have maintained their cooperation to solve humanitarian issues, namely the MIA [missing in action], Amerasian children, the resettlement of those who had served the United States in the old Saigon administration and had been released from reeducation camps, and the orderly departure of Vietnamese.

With regard to the MIA issue, so far Vietnam has returned to the United States more than 400 sets of American remains and confirmed information relating to 58 cases of missing Americans. To this end, the Vietnamese side had made great efforts, despite many difficulties facing the country, especially the lack of equipment to carry out the searches, investigation, exhumation, and identification.

Since 1988, Vietnam and the U.S. side have carried out 11 joint searches for missing Americans in 36 Vietnamese provinces and cities. This goodwill and humanitarian action of Vietnam have been highly valued by the United States. Other humanitarian issues also turned out good results and were highly appreciated at meetings between Vietnamese and U.S. specialists. Worthy of note was the meeting in Bangkok in early August 1990. In an atmosphere of construction and cooperation, the U.S. and Vietnam sides tried to find measures to accelerate the carrying out of these vital issues.

After the U.S. decision not to recognize the tripartite coalition government of Democratic Kampuchea at the United Nations and open a dialogue with Vietnam on the Cambodian issue, the United States and Vietnam held two official meetings on the Cambodian issue at the U.S. and Vietnamese headquarters of the United Nations. The meetings took place in a constructive and neutral atmosphere which helped the two sides further each other's views on the Cambodian issue and they also dealt with questions concerning the bilateral relations.

Both sides appreciated these meetings as encouraging steps in the U.S.-Vietnamese relations. But the American public wants the U.S. Government to have more positive action to normalize relations with Vietnam. Mr. (Patrick Farm), lecturer at the George Mason University, who had worked for 26 years in the U.S. State Department affirmed that Vietnam is a challenge not to be missed.

Mr. (Frank Mowan), director of the organization Refugee Voice who just visited refugee camps in Hong Kong, demanded that the Bush administration lift the embargo and normalize relations with Vietnam. In late August, 32 mass organizations in the United States sent a joint message to President George Bush, asking him to lift the trade embargo and normalize the relations

between the two countries. The message emphasized: It was time to heal the wounds of war between the United States and Vietnam, and diplomatic, political, and humanitarian relations would benefit both Vietnam and the United States.

Vice President of the U.S. Chamber of Commerce in Hong Kong (Samuel Moon) said they plan to send a 35-member delegation to study the Vietnam market from 7 to 17 October. The delegation would meet officials of the Vietnamese Ministry of Commerce and representatives of investors. Mr. (Samuel Moon) said: The American business circles were ready to take action to ask the U.S. Government lift the embargo against Vietnam.

U.S. 'Competitive' Defense Strategy Viewed

BK0509151490 Hanoi TAP CHI QUOC PHONG TOAN DAN in Vietnamese Jun 90, pp 51, 81-85

[Article by Tran Dinh: "Competitive Strategy; a New U.S. Military and Political Strategy"]

[Text] The U.S. imperialists and the West are intensively accelerating their comprehensive strategic offensive against socialism, which is aimed primarily at the Soviet Union and East European countries. The deployment of competitive strategy by the Pentagon can be considered part of that offensive aimed at combining military deterrence with other battlefronts against the Soviet Union and other socialist countries.

In the second half of the 1980's, a new military political strategy appeared in the United States called competitive strategy. Former Defense Secretary Weinberger was the first man to announce that strategy (in 1986). In mid 1987, U.S. military strategists intensively worked on the theoretical aspect of this strategy. On 15 September 1989, the then Defense Secretary Carlucci and Chairman of the Joint Chiefs of Staff William Crowe approved the report called "Competitive Strategy" formulated under the guidance of Assistant to the Deputy Defense Secretary Dennis Kowski [name as transliterated]. Seven days afterwards, presidential candidate Bush mentioned the competitive strategy in his electoral campaign program. He then officially approved this strategy when he was elected. During an interview with THE NEW YORK TIMES on 1 October 1988, U.S. Vice President Quayle also mentioned the competitive strategy when presenting the "NATO Defense Initiative." The Pentagon then deployed and implemented it. A council for the competitive policy was established in the Defense Department and headed by the defense secretary himself. The operation committee of the council and the policy office are operational agencies. A special intelligence committee is charged with securing intelligence information for the competitive strategy. Moreover, a group was established to mold different war circumstances in which electronic computers are used to depict "defeat" projects under special politico-military, technical-military, and economic-military circumstances.

What is this competitive strategy? Why has it been warmly welcomed by U.S. military circles and been quickly considered an important content of their new policies?

Map showing the Organizational System for Guiding and Implementing the Competitive Strategy:

Defense Department Council of Competitive Policy Committee	Intelligence Competitive Policy Cmte (represents all foreign policy matters for armed services)	Operation Cmte of the Council
Defense Secretary Policy Office	Chief of Intelligence, Defense Dep.	Operation Group for Joint Department Reconnaissance
First deputy defense secretary	Chief of Intelligence, Armed Svc.	Special operations groups
Deputy defense secretary for the procurement of military equipment and technology	CIA Director	Groups to mold various war circumstances
Chairman, Joint Chiefs of staff	Chief CIA Office	
Secretaries of armed service departments		
Chief of Defense Department's Intelligence Agency		
Chief of security agency		

First of all, we should realize that when advancing viewpoints on competitive strategy, the United States relied on the latest innovations of science and technology and on various industrial achievements that it considers superior to those of the Soviet Union. On this basis, it established plans for developing future weapons in the direction of not only gaining military superiority over the Soviet Union, but also of wearing out and exhausting the Soviet economy—just as Soviet Defense Minister D.T. Yazov stressed that the aim of this strategy was "to once again drive the Soviet Union and other Warsaw Treaty member countries into a military race with the West." It has placed its hope in the latest technologies to devalue our weaponry and military technology and force us to shift our facilities from socioeconomic programs to researching new weapons. Since the authors of this strategy clearly understand our backwardness in the domains of technology and weaponry, they have reckoned that we will not be effective in these domains and, as a result, "optimal strategic superiority over the Soviet Union" (Footnote 1) (Moscow KRASNAYA ZVEZDA, 13 April 1989) will be secured.

According to viewpoints in the strategy, the most advantageous factors developed by the United States lie in the system of offensive weapons. The United States thinks that once the Soviet Union concentrates considerable material and human resources on researching very expensive systems of defensive weapons, its offensive and counterattack potentials will be reduced a great deal.

This is the very reason why the competitive strategy has focused on the following issues: Select the main guidelines for developing weapons. In determining the main guidelines of the technical-military policy for the next 20 years, the Pentagon leadership estimates that one of the core demands of the competitive strategy is to maintain and extensively widen the gaps between the United States and the Soviet Union in the main fields of technological research. According to American strategists' calculations, the Soviet Union should be forced to face the necessity of redistributing reserves to unprofitable areas and to constantly maintain military expenditures at a high level, thereby restraining Soviet economic development and decisively achieving military superiority.

Those technological achievements believed to be superior to the Soviet ones and to which the United States has paid the most attention are the technology of imperceptibility, superconductivity, and other types of new structural materials, innovations in informatic techniques such as fifth generation computers, identifying techniques, data processing techniques, artifical intelligence, controlling and communicating techniques, and optical technology. The current U.S. programs for developing weapons and equipment have all reflected these technologies.

First of all, in the strategic offensive forces, the most dynamic development is the three-component aircraft approach, considered by U.S. experts as the area of highest technology, particularly strategic aircraft manufactured and attentively developed by the United States according to Stealth technology—such as the B-2—and the B-52 bombers and the B-1B. The use of these aircraft has considerably increased the ability of the U.S. strategic air forces, which are aimed at breaking the Soviet air defense system while forcing the Soviet Union to incur huge expenses to cope with it. For example, according to Western analysts, to build an air defense system to cope with B-2 aircraft, the Soviet Union must spend at least $U.S. 200 billion, three times more than the total cost of the B-2 aircraft manufacturing program.

The programs for the development of strategic missiles manufactured on the basis of the technology of undetectability—such as the AGM-129A nuclear cruise missile with a range of 2,300 to 2,500 km and an angle of deviation of no less than five meters, and the LRCCM winged non-nuclear missiles with a firing range of 2,800 km and an angle of deviation of no less than three meters—are aimed at dealing surprise blows at strategic targets on Soviet territory. The main guideline for the development of the U.S. intercontinental ballistic missiles is to improve the firing accuracy of a missile in a way that firmly maintains the capacity of its warhead but still increases considerably the accuracy coefficiency of that missile when it is used to destroy various strategic targets. This is, in fact, a U.S. design to open the possibility of dealing the first nuclear blows.

Among the strategic defense forces, the use of various "competitive" principles has been manifested most clearly in the SDI [Strategic Defense Initiative] program and is focused, first of all, on creating and maintaining the distance between the United States and the Soviet Union in the key domains of technology, as well as in the application of the new findings to manufacture various types of new weapons—such as surface antimissile systems—to serve all military branches of the U.S. Armed Forces.

One of the guidelines for the development of the U.S. strategic defense forces is to establish a unified air defense system on the North American Continent under the name "air defense initiative." Its duty involves reorganizing various systems for effective combat operations against all future facilities of the Soviet Air Force.

The U.S. council on "competitive" policy has paid great attention to developing various forces for joint actions, such as highly accurate weapons systems of different ranges, networks of reconnaissance facilities, and troop command and weapons systems. According to some American specialists, the U.S. Army has intensively begun to establish the CI systems (control, command, and reconnaissance systems) on all battlefields at present. It has also set up joint reconnaissance-attack teams which maintain close contacts with all air-raid warning, reconnaissance, radio communication, and intelligence data handling systems as well as with all electronic warfare facilities and command posts on the battlefields under a single network. The system of automation and various highly accurate facilities, if combined into one on the battlefield, could ensure the capability of dealing surprise destructive blows at the most important targets and the entire length of the campaign-strategic formation of the armies of the Warsaw Pact member countries.

Particularly, the United States has concentrated great efforts on the development of its tactical air command and number of aircraft carriers. For example, it has manufactured new types of F-117 Raiders and ATA Intruders (the A-12, built on the basis of the technology of undetectability.)

There are two main guidelines for the development of the U.S. naval forces: to enhance the role of U.S. naval fleets by equipping them with cruise missiles and improving their defense systems, and to improve their antisubmarine facilities with the aim of creating favorable conditions for keeping a constant watch on Soviet missile submarines to ensure that they are destroyed in the initial stage of a war.

The competitive strategy has been used to establish strategic plans. Viewpoints of the "Competitive Strategy" have developed continually and vigorously following the signing of the Soviet-U.S. treaty to eliminate intermediate and short-range missiles. The most reactionary circles in the United States have found in this strategy a "theoretical platform" to exploit various measures to adjust and plan various military policies and

neutralize and discard the substance of the aforementioned treaty. The scope of competitive strategy extends from the field of military technology to the domains of foreign, economic, and ideological policies.

In establishing a plan for military operations, special task force groups in charge of "competitive strategy" have carefully studied various projects for every possible case of non-nuclear war in Europe between the NATO and Warsaw Pact forces. Proceeding from the basic principles of the competitive strategy, in the initial phase of military operations this plan is aimed at concentrating efforts to fulfill mainly such tasks as eliminating and defeating the Warsaw Pact Air Force at various airfields, paralyzing the Air Force's guidance equipment, foiling the organization and dispatch of second and reserve forces into combat, eliminating and destroying the unified command system of the Warsaw Pact Armed Forces at the strategic campaign level, conducting campaigns to restrain the efforts of Soviet troops in Europe, and forcing the Soviet Union into prolonged warfare on some battlefronts.

With a view to fulfilling these tasks, the United States has considerably raised the role of its Air Force and infantry by using reconnaissance drones and high-accuracy long-range missiles aimed at eradicating aircraft on the ground and destroying various guidance equipment. In the domain of foreign affairs, the United States has used the principles of competitive strategy as diplomatic tools to win military superiority. In his 19 January 1990 speech, U.S. Defense Secretary Richard Cheney bluntly stated: "Diplomatic corps, negotiations and treaties on disarmament, and humanitarian, economic, and military aid are obviously methods that we prefer." He then continued: "This is the main factor of both our national defense and primary role in the world." The United States has therefore eliminated from the negotiating table such issues as the SDI, matters related to space military activities in general, the development of an anti-satellite system, limitation of the number of sea and space missiles, the new generations of aircraft based on the technology of undetectability, and various defense and new nuclear weapons.

In the economic domain, depending on the decreasing level of military conflicts with the Soviet Union, the United States has realized the ever greater significance of the economy as a decisive tool to overpower the Soviet Union.

As for the ideological domain, the United States is also exploiting the difficulties in the Soviet Union. It is particularly making the most of possibilities brought about by the process of democracy and openess.

In sum, the scheme of the U.S. politico-military leadership in the competitive strategy is to maintain long-term U.S. military and economic superiority over the Soviet Union on the strength of effectively using the latest technological innovations and of taking the arms race to a new qualitative area. Although the world trend toward detente and conciliation is pressing the United States to determine a stable military budget, propose a reduction of Armed Forces in Europe, and sign a treaty reducing its strategic offensive weapons by half, the Bush administration is actively using this strategy to determine the vital guidelines for a military buildup in the 1990's.

National Day Observed Abroad; Greetings Sent

BK0509094490 Hanoi VNA in English 0750 GMT 5 Sep 90

[Text] Hanoi VNA Sept 5—A meeting was held in Addis Ababa on August 30 jointly by the Ethiopian Peace, Solidarity and Friendship Committee and the Ethiopia-Vietnam Friendship Association on Vietnam's 45th National Day,

Present at the function were, among others, Bililin Mandefro, member of the Workers' Party of Ethiopia Central Committee and president of the association, and Johannes Berbre Selassie, secretary general of the committee.

A similar meeting has been held in Baghdad by the Iraqi National Committee for Peace, Friendship and Solidarity to mark Vietnam's historical anniversary.

Vietnamese ambassador to China Dang Nghiem Hoanh hosted a cocktail in Beijing on August 31st in honor of the 45th National Day of Vietnam.

Among his guests were Chinese Minister of Public Health Chen Minzhang, and Vice-Minister of Foreign Affairs Yang Fuchang.

PRC Sends Message

BK0709074390 Hanoi VNA in English 0655 GMT 7 Sep 90

[Text] Hanoi VNA September 7—President of the People's Republic of China Yang Shangkun has extended greetings to State Council President Vo Chi Cong on the occasion of the 45th National Day of Vietnam. The message said, among other things: "China and Vietnam are two close neighbours and their two peoples have had time-honoured friendship. We sincerely wish for an early restoration and development of the Sino-Vietnamese relations and the traditional friendship between the two peoples".

USSR, Cambodia Greet Leaders

BK0609083590 Hanoi VNA in English 0657 GMT 6 Sep 90

[Quotation marks as received]

[Text] Hanoi VNA Sept.6—Vietnamese party and state leaders have received greetings from Soviet and Cambodian leaders on the occasion of Vietnam's 45th National Day (Sept. 2).

A joint message from Soviet President M.S. Gorbachev, general secretary of the Central Committee of the Communist Party of the Soviet Union, N. Ryzhkov, chairman

of the U.S.S.R. Council of Ministers and A. Lukyanov, president of the U.S.S.R. Supreme Soviet, says:

"Over the past decades, Vietnam has gone through a road full of both difficulties and glory of their struggle for freedom and national re-unification. The achievements recorded by the Vietnamese people in the implementation of the Communist Party's renovation line have aroused enthusiasm in the Soviet people. The active contribution of the Socialist Republic of Vietnam to the settlement of the conflict in Cambodia and to making the political atmosphere in Southeast Asia healthy has a great significance. The Soviet Union sets great score by its time-tested friendship with Vietnam. Our two peoples have exerted all their strength to revitalize the socialist ideology, and fully develop the creative and humanitarian potentials of socialism. We will continue to consolidate our relationship with the Socialist Republic of Vietnam and will, together with our Vietnamese friends, make our cooperation more dynamic and more beneficial to the national economy of the two countries."

A message jointly signed by Heng Samrin, general secretary of the Central Committee of the People's Revolutionary Party of Kampuchea and president of the Cambodian State Council; Chea Sim, president of the National Assembly; and Hun Sen, chairman of the Council of Ministers, says:

"Under the clearsighted leadership of the Communist Party of Vietnam headed by General Secretary Nguyen Van Linh, the heroic fraternal Vietnamese people have overcome all difficulties and hardships and obtained great successes in their political life at home and in the international arena, and in their endeavours for prosperity, social progress and peace. The party, the government and the people of Cambodia sincerely welcome those achievements and consider them the common achievements of the three fraternal peoples in the Indochinese peninsula."

"In the face of the present international political situation, the solidarity between Cambodia and Vietnam as well as among the three Indochinese countries has been consolidated and developed more than ever before in the interest of peace and stability in the region and the world as a whole."

"With the support from the Vietnamese party, government and people as well as from the peace and justice-loving international community, the party, the government and the people of Cambodia will continue the struggle to defend their independent sovereignty, territorial integrity and legitimate rights in all international forums."

"On the occasion of your major national anniversary, we wish to express our profound gratitude to the Vietnamese party, government and people for their selfless and timely support and assistance to the revolutionary cause of Cambodia."

Ho Chi Minh's 'Democratic State' Discussed

BK0709033890 Hanoi Domestic Service in Vietnamese 1430 GMT 5 Sep 90

[SAIGON GIAI PHONG article by lawyer Truong Thi Hoa: "The Democratic State in President Ho's Thinking"; date not given]

[Text] The great objective of the Vietnamese revolution is to build a new state of the laboring people. President Ho Chi Minh laid the ideological foundation and personally led the building and consolidation of the state for 24 years after our country gained independence.

In President Ho's thinking, the revolutionary state must be a state of the people, by the people, and for the people. The state must be built primarily through general elections held in a truly democratic manner. According to him, elections are a political activity capable of winning the people's confidence in our regime as well as the world's undeniable recognition.

The people's representatives elected to the National Assembly and the people's councils must strive to fulfill the tasks entrusted them by the people and must wholeheartedly protect the people's interests. Only by doing so can they carry out the people's power. As the people constitute the root of the state, remaining attached to the people means remaining loyal to our origin.

The people's state has the most glorious duty of serving the people. President Ho said: There is nothing more precious under the sun than the people. In society, nothing is more beautiful and glorious than serving the people's interests. Saying that the state is for the people means in fact that no entity other than the state and its cadres must wholeheartedly care for the people, making them free, well fed and clothed, and happy. President Ho said: Now we have established the Democratic Republic Vietnam. However, if the country is independent but the people cannot enjoy happiness and freedom, then independence will be meaningless. The people know the value of freedom and independence only when they are well fed and clothed.

In President Ho's revolutionary viewpoints and lifetime, there is one outstanding issue that no one can forget: His revolutionary ethic reflects one of his profound political viewpoints on the relations between the people and the state, between cadres and the people, and among human beings in general. This ethic can be easily expressed as diligence, thrift, honesty, love, righteousness, wisdom, and courage to help everyone reach absolute justice. This is the highest and most comprehensive ethical thought.

The persuasiveness of Ho Chi Minh's ethic lies not only in his thinking but also in the very beauty of human life. Uncle Ho demanded that everyone must consistently match words with deeds and idea with action. He particularly paid attention to the ethics of cadres and party members because cadres are the source of all tasks. Without revolutionary ethics, ability will be useless.

Cadres must regularly cultivate their revolutionary ethics. Now we ask them to be diligent, thrifty, and honest, as well as to set good examples for the benefit of the country and the people.

From the early days when the country became independent until his death, throughout his more than 20 years as national leader, President Ho Chi Minh demonstrated his primary concern for establishing a stable and firm state legal system in order to effectively support the struggle for national independence and construction and to serve the people. He himself served as an example in implementing and scrupulously abiding by the law.

In President Ho Chi Minh's thinking, law must be of a profound class nature. As a result, our law must reflect the will of the laboring people. Our law is established to serve and protect the people's legitimate interests and is aimed at no other objective.

During the first days of the victorious revolution, President Ho Chi Minh personally guided and participated in establishing the 1946 Constitution with the prelude clearly stating that the nature of the state is to build a strong and clearsighted administration of the people.

The law must strictly provide for reward and punishment. Education is impossible without restraint, and restraint must follow education.

Half a month after independence day, in a letter addressed to cadres on 17 September 1945, President Ho Chi Minh wrote: Even though we may have to abuse punishment to deal with convicted quislings, we should not dig into their past to impose new verdicts. To those people who are not too dangerous, we should apply the policy of conversion and leniency; we should not arrest them inconsiderately nor confiscate their property irrationally, thus frightening the people.

If discipline is not made to be a serious enough matter, then those who act in the name of the government or the title of Viet Minh [League of Vietnam's Independence, predecessor of Communist Party of Vietnam from 1941-51] to oppress, extort, or loot the people, will cause resentment among them. Everyone must scrupulously live and work in accordance with the law.

President Ho Chi Minh asserted that abiding by the law is a behavior of revolutionary ethics. Violating the law is to encroach upon ethics. He did not merely make appeals and speeches. He often urged cadres and the people to respect the law. In his own everyday life, Uncle Ho also set an example of strict compliance with the law whether the law was in effect only at some levels or nationwide, or whether it was simply in the regulations of a locality, an agency, or a unit.

During our country's present renovation process, many objectives and efforts are being raised including the problems of restoring discipline and social order and of expanding democracy. These are the two ever pressing and closely interrelated issues.

Only if all citizens can enjoy true democracy on the basis of renovated and perfect law can the legal system be ensured and strengthened. If the law is inadequate or unclear or if the law is not scrupulously observed by cadres and the people, correct lines and policies will not be implemented and the state cadres will easily become revolutionary mandarins who oppress the people at will. The state will then distance itself from the masses. This was the fundamental issue of most concern to President Ho Chi Minh in building and consolidating the state to serve the people.

Australia

13 Women, Children on Way Home From Mideast

BK0709074990 Melbourne Overseas Service in English 0500 GMT 7 Sep 90

[Text] Thirteen Australian women and children are on their way home after being allowed to leave Iraq. The group is being flown home from the Jordanian capital, Amman, aboard an Air Force plane, in what is the first direct evacuation of Australians from the Gulf region. They went to Amman after being allowed to leave the Iraqi capital, Baghdad, where they had arrived earlier by bus from Kuwait.

The plane is heading for Sydney but will land at Perth and Adelaide, where the three people to disembark will be a mother and her two children, who were in Kuwait when it was invaded by Iraq more than a month ago.

New Zealand

Prime Minister Appeals for Silence on Hostages

BK0709055890 Hong Kong AFP in English 0456 GMT 7 Sep 90

[Text] Wellington, Sept 7 (AFP)—New Zealand Prime Minister Mike Moore appealed Friday for the news media to stop using the names of citizens believed still to be in Iraq and Kuwait. "In my judgment the less said about their whereabouts and their links with each other, the better it will be for their safety," Mr. Moore said. "In matters like this, the interests of full reporting have to be balanced against the interests of the individuals who are at risk."

New Zealand diplomats in Iraq had asked the New Zealand news media not to report the names of hostages still in Iraq and not to use their names in telephone calls to the region, he said.

Mr. Moore's statement came as he admitted New Zealand's ambassador in Iraq has been denied access to Daphne and Henry Halkyard, New Zealanders who were travelling on a British Airways flight with British passports. Mr. Moore said their whereabouts were no longer known although there were indications the couple may have been moved out of Baghdad. Brian Halkyard, a son of the couple, said he had heard his parents were being kept at a military installation.

Eighteen New Zealanders, in addition to those in the embassy, are known to be still in Iraq or Kuwait and Mr. Moore said New Zealand wanted to do all it could to protect them.

Earlier Mr. Moore announced a New Zealand Air Force Hercules aircraft will help fly home Pakistani and Filipino refugees trapped in the Middle East.

Papua New Guinea

Australia's Hawke Continues Port Moresby Visit

Speaks to Businessmen

BK0309085090 Melbourne Overseas Service in English 0600 GMT 3 Sep 90

[From the "International Report" program]

[Text] The Australian prime minister, Mr. Bob Hawke, has told Papua New Guinea that Canberra has no intention of dictating how its northern neighbor should handle its law and order problems. Mr. Hawke was talking to Australian businessmen in Port Moresby on the second day of his visit to the country.

Sean Dorney reports that Mr. Hawke seems to have embraced the theme that Australia cannot solve Papua New Guinea's problems although it is willing to give a hand.

[Begin recording] [Dorney] There were about 60 businessmen at the breakfast organized by the Australia-Papua New Guinea Business Council, 55 of them Australians and five of them Papua New Guineans. It was a [word indistinct] breakfast, and as Mr. Hawke mixed with those present, he was repeatedly told how bad the crime situation was. When the time came to speak, he said Australian businesses had invested $1.8 billion [currency not further specified] in Papua New Guinea and more was expected to flow in it to help develop Papua New Guinea's rich resources. But he said (?though he) appreciated the concerns of the businessmen about law and order, Australia could not solve Papua New Guinea's problems for it.

[Hawke] If permanent and effective solutions are to be found to these problems, then they can only be found by Papua New Guinea, and [words indistinct] considerable potential, a very considerable potential that this country used to be [word indistinct], then it will be through decisions to be taken here in Papua New Guinea and not in Canberra. And this position, this fundamentally correct position, whether people like it or not, it is a fundamentally correct position, [words indistinct] joint declaration of principles that we signed together in 1987 and the basic principle is for mutual respect that two sovereign and independent nations have for each other. We are having [words indistinct] at the same time we want to reassure all of you that Australia is committed to supporting Papua New Guinea, and our support is not transient; it is long term.

[Dorney] Mr. Hawke said Australia has put $4 billion [currency not further specified] in aid into Papua New Guinea since 1975.

[Hawke] The aid program itself cannot solve Papua New Guinea's economic and social problems nor is it designed to do so. The essential approach that my government has is to so fashion its aid, and particularly [words indistinct] we move it more into specific projects

while [words indistinct] the budget, our purpose is to improve the capacity of Papua New Guinea to solve all these problems for itself.

[Dorney] Mr. Hawke told the Australian businessmen they had responsibilities too.

[Hawke] You just cannot stand idly by as a bystander and say it is all your responsibility as government; to behave sensibly, responsibly, and intelligently, you have got very considerable responsibilities yourself. I certainly want to say directly to the Australian businessmen and Australian businesses here that you have a responsibility to act as good group of citizens. [Words indistinct] good group of citizens involve things like ensuring it to have very good training programs, that you provide assistance to technical colleges and universities, and although I say it last, I cannot give [words indistinct] you should have a commitment to primarily to preserve as far as you can the environment into which you have entered.

[Dorney] Mr. Hawke has now gone off to sign an Investment Promotion and Guarantee Agreement with Papua New Guinea Government and to hold discussions with Prime Minister Namaliu on a range of issues, including law and order and Bougainville. [end recording]

Investment Agreement Signed

BK0309100090 Hong Kong AFP in English 0843 GMT 3 Sep 90

[Text] Port Moresby, Sept 3 (AFP)—Papua New Guinea will guarantee the right of Australian businessmen to repatriate profits and exempt their investments from nationalisation under an agreement signed here on Monday. Papua New Guinea's Trade and Industry Minister John Giheno said after signing the accord here with Australian High Commissioner Allan Taylor that the government wanted to attract more foreign investment.

The reciprocal investment promotion and protection agreement was witnessed by Papua New Guinea's Prime Minister Rabbie Namaliu and his Australian counterpart, Bob Hawke, who began a five-day visit here Sunday. Papua New Guinea already has similar agreements with Britain and West Germany and expects to sign another with Malaysia later this year.

The agreement with Australia protects investments from nationalisation and expropriation and grants investors fair and non-discriminatory treatment in all matters, Mr. Giheno said. It also guarantees businessmen the right to repatriate net profits, dividends and other benefits accruing from investment, loan repayments and the earnings of expatriate workers. Disputes will be referred to the International Centre for Settlement of Disputes, which operates under the auspices of the World Bank, Mr. Giheno said.

Australian investment currently totals about two billion Australian dollars (1.6 billion U.S.) and Mr. Hawke told Australian businessmen here Monday that he expected it to increase greatly.

On Tuesday, Mr. Hawke is scheduled to visit the Porgera gold mine, 560 kilometres (350 miles) northwest of here in the highlands, one of the largest Australian projects currently operating in Papua New Guinea.

Promises To Help Improve Defense

BK0309144090 Hong Kong AFP in English 1326 GMT 3 Sep 90

[Text] Port Moresby, Sept 3 (AFP)—Australian Prime Minister Bob Hawke promised Monday a continuing commitment to improve Papua New Guinea's [PNG's] Defence Forces, but said Australia had no wish to interfere in its domestic affairs.

Mr. Hawke, here for talks with Prime Minister Rabbie Namaliu about Bougainville and Australian aid to Port Moresby, said the time was long past when Australia could play an internal security role—"except perhaps in the most extraordinary, agreed and limited circumstances"—in this country. But he promised to send police reinforcements to approximately double the number of Australian security men here after Mr. Namaliu warned that lawlessness was threatening the country's democracy. Mr. Hawke said he thought the police could be sent as part of a special five million Australian dollar (4.1 million U.S.) law and order package Canberra agreed to provide earlier this year.

"When PNG is ready, we will be happy to help you develop the necessary capabilities under our defence cooperation program," he said. But he added: "We simply cannot—nor would you want us to—reinsert ourselves in your domestic issues and attempt to impose a solution that could only be second best, short lived and ultimately counter-productive. This is the context in which I place any consideration of the question of Bougainville," Mr. Hawke told a luncheon on the first full day of his visit.

Australia has spent more than 200 million kina (212 million U.S. dollars) under a program providing military expertise and funds to the PNG Defence Force.

Mr. Hawke said occasional suggestions that Australia transfer large numbers of public servants, consultants, or military advisers to help Papua New Guinea were "just not on." "That would make a mockery of the whole process of (Papua New Guinea's) independence and nation-building," he said.

Mr. Hawke said his government fully supported the commitment to a political solution on Bougainville and agreed that the troubled island must remain an integral part of Papua New Guinea. Mr. Hawke also told a gathering of Australian businessmen that because of threats to law and order and Bougainville's attempted secession, Papua New Guinea faced its most difficult times since it gained independence 15 years ago.

Australia, he said, welcomed the Endeavour Accord and the restoration of services on Bougainville as a step in the right direction. Both Mr. Hawke and Mr. Namaliu said they were determined to phase down Australian untied

aid, now running at 275 million dollars (225 million U.S.) a year, while increasing aid for special projects. Mr. Namaliu said he expected such aid to disappear by the year 2000, but neither he nor Mr. Hawke would put a figure on the level of program aid by then.

Mr. Namaliu told the luncheon that Papua New Guinea faced the combined problem of diminishing rural incomes and declining employment opportunities. His government was undertaking radical reforms to reduce the public service and redirect resources to the private sector, he said. "This process is not without pain, it is not without political risks, and it is certainly accompanied by added social pressures in the community," Mr. Namaliu said. "The immediate period ahead will be tremendously difficult," he predicted. "It will impose great social pressures on all sectors of the community, and it will challenge the very basis of our democratic institutions."

He linked growing lawlessness with the collapse of world prices for its main commodities—coffee, cocoa, copra and palm oil. This had a profound effect on the 75 to 80 per cent of Papua New Guineans who depended on agricultural exports for their income, he said. "In almost every area of rural activity, our people are enduring real economic hardship, lower living standards and accompanying family and social pressures," he said. This led to a breakdown in law and order that is threatening the future of society, Mr. Namaliu added.

New Guinea, and later Papua, were administered by Australia under a United Nations mandate until September 16, 1975, when the united territories became a sovereign state within the Commonwealth.

Discusses Defense Aid Pact

BK0609101190 Melbourne Overseas Service in English 0800 GMT 6 Sep 90

[From the program "International Affairs" program]

[Text] Australia's prime minister, Mr Bob Hawke, who has just completed an official visit to Papua New Guinea [PNG], says there will be no change in Australia's defense cooperation agreement with Papua New Guinea. Australia provides the Papua New Guinea Defense Forces [PNGDF] with much of their equipment and training and assistance for infrastructure. This year's defense cooperation agreement will be worth more than Australian $50 million. However, Canberra has been careful to distance itself from being directly involved in the confrontation between government forces and Bougainville secessionists.

Mr Hawke, who has held talks with PNG officials on defense arrangements said Australia remains vitally interested in the future of the Papua New Guinea Defense Forces. He is speaking with Radio Australia's Sean Dorney:

[Begin recording] [Dorney] In discussions about the defense cooperation treaty, were there suggestions that it should be altered in any way?

[Hawke] Not the structure of the treaty and the framework within which we cooperate. The areas (?into which) the talks went were what is the best sort of PNGDF for the Government of Papua New Guinea in the future to look together at the issues of what possible changes there might be in training and so on, (?and) what (?is the) best equipment for that future task. So (?that was) what the talks were about, rather than changing the framework within which we operate.

[Dorney] About equipment. Is it true there was a suggestion that maybe there is too much reliance on Australian equipment?

[Hawke] That point was not specifically raised, but I think there will not be any limits to the range of discussions (?we will have). The important thing that has been agreed is that we are at one in saying that it is sensible to look at how the PNGDF is equipped, trained, and how it operates and other ways in which together we can make it better equipped for future tasks, and that has all been on the basis of not us saying that is what has got to happen but a shared view of it. They understand that Australia speaks from a position of having helped since independence for something like half a billion dollars into the PNGDF. So we have a real interest. [end recording]